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SAN SALVADOR BISHOP CITED ON TALKS POSSIBILITY

PA241955 Havana International Service in Spanish 1600 GMT 24 Aug 87

[Text] San Salvador Auxiliary Bishop Gregorio Rosa Chavez said in his Sunday homily that it is almost impossible that the dialogue between the government and the guerrillas will be resumed on 15 September as agreed upon. The bishop was referring to the differences between the government and the insurgents over President Jose Napoleon Duarte's constant refusal to begin the talks and his plan to condition them to the disarmament of the guerrilla units.

The prelate said that last week, 46 people were killed in San Salvador by official repression. These included union member Jose Saul Henriquez, who was murdered by the Army.

'OUR AMERICA' ON 'GRAVE LABOR CONFLICT' IN BOLIVIA

PA250010 Havana International Service in Spanish 2300 GMT 23 Aug 87

["Our America" commentary]

[Text] In recent months, Bolivia has been plunged into a grave labor conflict that stems from the erroneous economic policy implemented by the government of Victor Paz Estenssoro.

If we go back in time a little, we will recall that on 13 July the teachers went on strike to protest the privatization of schools. A few days later, the petroleum workers went on strike to reject the government decision to place petroleum work centers under military control.

The Bolivian Labor Federation reported that these measures go against the workers' interests because they are aimed at defending the country's oligarchy, transnationals, and imperialism.

The current economic policy has left approximately 600,000 workers jobless and as far as the education sector is concerned, the unjustified cuts in teachers' salaries have resulted in ridiculously low salaries: approximately $40 per month.

In addition, the treasury has not paid the teachers for more than 3 months, so we can understand why the teachers' strike is spreading and already has the support of the country's private schools, students, peasants, and political organizations.

What has been President Paz Estenssoro's response to labor conflicts? The government is determined not to meet the workers' demands and is using repression as a method to prevent protest demonstrations and road blockades.

The repressive actions against peasant demonstrations near Lake Titicaca resulted in three persons killed and an undetermined number wounded. However, these methods have been unable to halt the strikes spreading throughout the country and threaten to last indefinitely.

The way things look, Paz Estenssoro does not have any alternatives: Either he meets the teachers' demands immediately or the strikers' actions will reach such a magnitude that his government will be placed in the classic dead-end street.

MIRET ANALYZES DELAYS IN REACTOR CONSTRUCTION

PA241255 Havana International Service in Spanish 2300 GMT 23 Aug 87

[Text] Pedro Miret, member of the Politburo of the Communist Party of Cuba, presided over the analysis in Cienfuegos Province of the construction progress of the first reactor of the electronuclear plant being built in this country.

Those who participated in the meeting studied the causes of the small delays in the installation of what has been described as the work of the century in Cuba.

Construction Minister Raul Cabrera noted that a greater constructive effort must be made in 1988 and that the efficiency, production, and organization of the work must be increased.

ASSESSMENT OF HAVANA CONSTRUCTION PROJECTS

FL242300 Havana Radio Periodico del Aire in Spanish 2130 GMT 24 Aug 87

[Excerpts] The assessment meeting on the progress of construction projects in the education sector was held today, 24 August, at 1000 at the headquarters of the National Assembly of the People's Government in Havana.

Present at the meeting were Pedro Chavez, president of the executive committee of the Havana City people's government and member of the Communist Party of Cuba Central Committee [PCC]; Mirta Rosa Rodriguez, member of the provincial party bureau and alternate member of the PCC Central Committee; Zoila Benitez Mendoza, provincial education director; and directors of municipal education and social construction projects for various education fields.

The topic of greatest interest was the repair and maintenance of day care centers, which was discussed by Comrade Mirta Rosa Rodriguez. [passage omitted]

Later, there were other debates on the maintenance, remodeling, and progress of other projects in the primary, secondary, and pre-university fields, as well as polytechnical and technological spheres.

By the end of the meeting, all those attending participated completely and were confident that the 1987-88 school year, which begins 1 September, will be the best in our history.

EGYPTIAN MINISTER ARRIVES FOR COOPERATION SEMINAR

FL181649 Mexico City NOTIMEX in Spanish 0318 GMT 18 Aug 87

[Text] Mexico City, 17 Aug (NOTIMEX) -- Butrus Ghali, minister of state for foreign affairs of Egypt, believes that Third World countries must exchange information with a view to dealing with the foreign debt problem.

The Egyptian official arrived in Mexico to inaugurate the fourth Africa-Latin America seminar along with his Mexican counterpart [as received], Bernardo Sepulveda Amor. The prospects of cooperation among African and Latin American nations will be discussed at the seminar.

Interviewed at the Mexico City International Airport, Ghali reported that he is carrying a message of friendship from the Egyptian president to the people and government of Mexico.

On another topic, Ghali highlighted the role played by the Contadora Group in the Central America peace process. He also noted that his country favors the political independence of Lebanon but that the withdrawal of Israeli troops is a prerequisite.

Lastly, Ghali said that Egypt is engaged in diplomatic efforts to put an end to the war between Iran and Iraq, both members of the Nonaligned Movement.

Supports Contadora Peace Moves

FL241915 Mexico City NOTIMEX in Spanish 0100 GMT 24 Aug 87

[Text] Mexico City, 23 Aug (NOTIMEX) -- Egyptian Foreign Affairs Minister Butrus Butrus Ghali [title as received], has reiterated his country's support for the peacemaking measures of the Contadora Group in Central America.

In an interview at the Mexico City Airport before his return to Cairo, the official said that the support is given in reciprocity for Mexico's support for efforts to hold an international conference for peace in the Middle East, at which a call would be made for the establishment of a Palestinian homeland.

Ghali, who made a 5-day official visit to Mexico, commented also that during the fourth African-Latin American Conference, in this city, the prospects of South-South cooperation were broadened.

He said that at the conference it was agreed that a meeting of the parliamentary commissions of Africa and Latin America would be held in 1988 and that the fifth conference of the two continents would be held at the end of next year in Cairo.

The minister indicated that in the course of his visit -- during which he met with President Miguel de la Madrid and Bernardo Sepulveda Amor, secretary of foreign relations, Alfredo del Mazo, secretary of energy, mines, and parastate industry; Hector Hernandez, secretary of commerce and Antonio Riva Palacio, leader of the Senate -- the specifics of Mexican-Egyptian parliamentary cooperation were agreed upon.

Ends 'Positive' Visit

PA241843 Mexico City Red Nacional 13 Imevision Television in Spanish 0130 GMT 24 Aug 87

[Text] Butrus Ghali, Egyptian minister of state for foreign affairs, has ended his visit to Mexico. He said that his visit was useful and positive and he praised Mexico's work to reestablish peace in Central America through the Contadora Group.

Butrus Ghali said that Egyptian legislators will visit the country next year to strengthen relations with the Mexicoan Senate.

BRAZIL'S SARNEY LEAVES AFTER OFFICIAL VISIT

PA210346 Mexico City XHTV Television in Spanish 0200 GMT 21 Aug 87

[Report by Arturo Garcia from Guadalajara]

[Text] Brazilian President Jose Sarney departed from Guadalajara City this morning, ending his 4-day visit to Mexico.

Jalisco State Governor Enrique Alvarez, his wife, and other state officials bid the distinguished visitor and his retinue farewell at the Guadalajara Miguel Hidalgo International Airport.

Shortly before boarding the Brazilian Air Force plane bound for Bogota, Colombia, President Sarney said Latin American problems should be resolved by each country independently. He added that the peace plan recently adopted by the five Central American presidents has given much hope to the region.

[Begin Sarney recording] We are now very hopeful that the meeting and the decision of the five Central American presidents will form the road to a lasting, peaceful solution in Central America. [end recording]

Sarney praised the peace efforts of the Contadora and Support Groups, which have prevented the aggravation of the Central American conflict. Regarding the current Brazilian labor situation, President Sarney said that everything is calm and functioning almost normally in Brazil, because the Brazilian people did not respond to the call for general strike made a few days ago.

Sarney again confirmed his next visit to Mexico will come in November, when he will attend the meeting of eight Latin American presidents, at which they will discuss common, regional problems.

DE LA MADRID DISCUSSES INTEGRATION, DEBT

PY191519 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 19 Aug 87

["Exclusive interview" with Mexican President Miguel de la Madrid by Radio Nacional reporter Irineu Tamanini; questions in Portuguese, answers in Spanish, in Mexico City, 18 August -- recorded]

[Text] [Tamanini] The countries of the Rio de Janeiro Group have confirmed their willingness to meet in Mexico in November. What does the Mexican Government expect from this meeting?

[De la Madrid] This group emerged from the consultations of the foreign ministers of the Group of Eight through the Contadora Group and its Support Group. I think this is a good mechanism through which to exchange ideas and make consultations on different Latin American issues.

What I expect from that meeting is that the presidents of the Group of Eight countries will be able to review essential Latin American problems and adopt positions to promote Latin American integration, not only in the economic sector but also in the communications and political sectors and in cooperation programs in the cultural, scientific, and technological fields. I think the meeting will be very useful. It was set up by the Latin American countries themselves. I think it will be the first of a number of meetings we Latin American countries will hold. We must get used to these meetings.

We see that industrialized countries are meeting frequently, as the European countries have been doing since the establishment of the EEC. African countries are doing the same, and I think Latin America has lagged behind in this method of modern foreign policy: regional meetings of chiefs of states.

[Tamanini] Mr President Miguel de la Madrid. You have expressed support for the political treatment of the renegotiation of the foreign debt of developing countries. Is it possible to reconcile this type of treatment with an agreement with the IMF?

[De la Madrid] Well, I think an agreement with the IMF implies a kind of political negotiation, because the IMF is an international financial organization stemming from the United Nations. The IMF Board of Governors is made up of the finance secretaries of the different nations. It is an international government type organization where political matters -- not just financial matters -- are reviewed.

PRI INTERVIEWS HOPEFUL PRESIDENTIAL CANDIDATES

Aguirre Addresses Leaders

PA201916 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 17 Aug 87

[Report by Monserrat Amada]

[Text] [Announcer] The PRI's national leadership announced last week that as of 17 August, seven distinguished party members and presidential hopefuls will begin hearings before top party officials.

The hearings began today as scheduled. Federal District Chief Ramon Aguirre Velazquez was called upon to give the PRI's National Executive Committee [CEN] his views on the situation in the country. In his remarks at the first hearing of the seven distinguished PRI precandidates, Ramon Aguirre said that one can rule without magical or providential intervention.

[Begin recording] [Amada] After noting that no government begins its work in a historical vacuum, in [words indistinct] or in the Mexico of the past or in the Mexico we wish would exist, Ramon Aguirre warned that in the future, Mexico will face conflicts of interest and internal backwardness.

We therefore must stay on the revolutionary path, he said. During his first hearing at the PRI's CEN, attended by leaders of the Senate and Chamber of Deputies and by those of the other party sectors, Ramon Aguirre said that despite the problems, President Miguel de la Madrid has shown that one can rule without magical or providential intervention. He said that the calm and resolute struggle to overcome the crisis and to foster the country's independent development is based on the Mexican people's determination to prevent foreign interests from imposing their will on the nation's majority.

In his remarks on the country's problems, Ramon Aguirre noted that Mexico presently is not suffering the grave problems it did in 1982, and that the country will be a different one in the future.

[Aguirre] When he leaves office on 1 December 1988, Miguel de la Madrid will leave a country without the problems it had 6 years ago. It will be a prosperous country, one that we will continuously develop. The exploitation of natural resources is conducted rationally; the basis for national unity has been reestablished; there is confidence in the future.

Our domestic policies have precise goals. Our foreign policy is following a definite strategy that coincides with overall government policies and with the nation's interests, which we are duty-bound to protect.

[Amada] Aguirre proceeded to explain that maintaining a balance in the nation demands granting priority to social problems, because social problems pose political problems:

[Aguirre] The fundamental decisions to be made in the future must continue to have a national consensus. Unified political efforts must become the state's indispensable instrument in furthering social development.

[Amada] Commenting on the foreign debt, the Federal District chief said that in the future, Mexico must find solutions that have historic significance. During his statements, Aguirre commented on national sovereignty, pointing out that without respect for sovereignty, democracy lacks support. He said that democracy must not only be defined as the expression of the people's will but as the only political system that ensures the preservation of social freedom and that advocates social progress.

He added that federalism must be a factor to ensure balance and a majority consensus in promoting the economic strength of states and municipalities. Revolutionary nationalism [words indistinct] in its political, economic, and social aspects has helped preserve the values of our independence and national identity. The technical aspects of inflation and its social consequences must be controlled. Agrarian reform, in which the nation's sovereign development depends to a great extent on an advanced agriculture. [sentence as heard] National economic leaders must modernize their methods and adjust them to development planning objectives, because economic forces cannot be allowed to hold sway over the state. Improving Mexicans' quality of life and standard of living deserves public (?efforts) and promotes social progress.

Before Ramon Aguirre took the floor, PRI national leader Jorge de la Vega Dominguez said that in the next few weeks the party will continue to listen to the opinions and proposals of the labor, agrarian, and popular sectors; and that when the time comes, the party's presidential candidate will be selected:

[De la Vega] When the time comes, the CEN, with the council's prior consent, will call for the open registration of precandidates and will hold a convention to approve the basic electoral platform and to elect the PRI presidential candidate.

[Amada] Also at the PRI national headquarters, Information and Press Secretary Dionisio Perez Jacome said that beginning today, the party is taking a very important step toward the enrichment of internal political activities and is contributing to the integrated democratization of society.

At the meeting's conclusion, PRI Secretary General Humberto Lugo Gil said that PRI postulates and declarations of principle are not mere formulations or intentions, but stand for commitments to undertake struggle. [end recording]

Bartlett Diaz Airs Views

PA210059 Mexico City XHTV Television in Spanish 0200 GMT 20 Aug 87

[Passages within quotation marks recorded]

[Text] The PRI held its second meeting today to analyze the party's electoral platform. The meeting was attended by PRI presidential hopeful Manuel Bartlett Diaz. Bartlett Diaz asked the party leaders and members to implement an economic policy without illusions or fabrications.

Government Secretary Bartlett Diaz warned that Mexico needs more democracy, sovereignty, and social justice. He asked everyone to maintain national solidarity:

"The road will be marked with procedures designed to regain the people's trust in politics."

He said that the nation's renewal demands a continuous effort, new organization systems, solidarity, and harmony to create mechanisms for further reforms and solidarity. During the second meeting to analyze the PRI political platform, in which the PRI's presidential hopefuls participated, Secretary Bartlett demanded a political platform without illusions or fabrications and capable of safeguarding our national sovereignty and fulfilling social needs:

"We have proved that populism is antipopular because it offers false hopes, weakens institutions, and disrupts the economy."

As scheduled, Government Secretary Bartlett Diaz first met alone for an hour with the PRI national leadership, led by Dr Jorge de la Vega, leaders of the three branches of government, and Congressional leaders. Referring to the electoral platform, Secretary Bartlett Diaz stated the following: The political renewal has improved the electoral system as well as the representation and participation of active parties:

"We have been loyal and responsible, and this also applies to the opposition. Harmony has prevailed; social peace has not been disrupted."

He asserted that the international legal principles advocating peace and negotiations have been defended on the international level. Referring to economic policies, he admitted that stability, strength, and harmony will not be attained without social justice:

"We will continue the struggle against inflation, using the appropriate financial and foreign exchange instruments, and organizing our public finances."

He also said that agrarian justice and the development of rural areas have allowed the recovery of savings and the people's trust.

"Several factors indicate that we are on the road to recovery."

He said the PRI is responsible for our national renewal, and has two basic tasks: One, to seek innovations and programs for great national goals; and two, to seek new forms of political organization for attaining pluralism. He warned that we will face difficult days and that this is not the time to give up solidarity:

"We must strengthen our sovereignty, democracy, organization, responsibility, and social justice." Referring to federalism, he admitted that the quality of our assets and services is limited:

"We must continue our efforts to rescue all Mexicans, so they may participate in our tasks and enjoy the benefits."

Bartlett Diaz asserted that the state's economic guidelines encourage the modernization of public, private, and social enterprise:

"Explicit norms regulate government and parastate sector actions."

He stated that Mexico is mosaic of variegated fragments which should be united in many ways:

"We will face difficult times and we must attain solidarity for future programs; this is and will be a source of our strength." Bartlett Diaz said the majorities' views should be heeded when preparing the nation's plans; and he recognized that the women and youths have yet to fully join the national project.

Del Mazo Outlines Goals

PA220357 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 21 Aug 87

[Passages within quotation marks are recorded remarks of Mexican Secretary of Energy, Mines, and Parastatel Industry Alfredo Del Mazo]

[Text] This morning, Alfredo Del Mazo, Mexican secretary of energy, mines, and parastate industry, met with PRI leaders to present his views on the country's problems.

Del Mazo is regarded as one of six possible PRI presidential hopefuls. Del Mazo said that Mexico requires reforms, reconstruction, and reshaping. In other words, it must progress toward a reconversion because the domestic crisis demands solutions that depend on various factors. He said also that the challenge for Mexico is to abandon its passive stance:

"The challenge for Mexico consists of not participating passively in new policies. Active participation in world affairs is necessary, and at all times the interests of the nation must come before anything else. We must be up to the demands of self-sufficient development, and we must avoid the trap of an impossible and also illusory isolation. We must acknowledge interdependence and [words indistinct] join the changes intelligently and with perseverance. To assert that the lack of resources or the absence [as heard] of hegemony makes impossible the concretization of this project is to ignore Mexico's tradition of modernization."

Speaking in the presence of PRI leaders, the Chamber of Deputies, the Senate, peasant and peoples' leaders, and CTM [Confederation of Mexican Workers] Representative Diaz Chumacero, Del Mazo said Mexico requires modernization and that if the modernization process is not done responsibly and with a full commitment, Mexico will be set backward.

"Renovation is the sign of the times. In Mexico, society demands that the state and our party increasingly identify, orient, and set the pace for the unavoidable transformations now already in progress. Either we carry out these transformations with determination and in a timely way, or we will be run over by them, jeopardizing both the basics and the constitutional nature of our cultural identity. Revolution and modernization are two proposals that are mutually supportive, based on changes and transformations. Modernization without an ideological basis, and viewed as a mechanical incorporation of new technologies, production methods, and behavior patterns foreign to us would emphasize inequality, make dependency irreversible, and would mean involution and recession."

Del Mazo said that modernization should be understood solely as the fulfillment of the objectives and principles embodied in the Constitution, as President Miguel de la Madrid has done:

"De la Madrid's historic contribution has been the clarity with which he has understood -- beyond temporary circumstances -- the close relationship between the Constitution and modernization. De la Madrid clearly understands that there is no disagreement between the two that the idea is to make achievements possible and at the same time open the door to the Mexican people, preparing Mexico's entrance into the world community as a sovereign nation ready to face the formidable challenge [words indistinct]."

He said that in the current difficult situation Mexico must consolidate the economic reactivation and adjustments abroad, and also continue to combat inflation.

"A change of structures requires that the developmental process of the four fundamental production sectors be modernized and organized. In industry, it is necessary to expedite the reconversion of both public and private enterprises. In agriculture, we must consolidate general rural development, production organization, and the strengthening of the [words indistinct] structure.

In foreign trade, we must lower the excessive intervention of intermediaries and expedite the people's progress. In the services, we should incorporate technological progress and expand it to other sectors."

As for the foreign debt, he said that only through an overall approach that encompasses the trade and capital centers will it be possible to find solutions that satisfy all parties concerned. He said that new formulas must be found. He pointed out that inflation is a fundamental concern because it paves the way for social injustice. For this reason, efforts to combat it and protect productivity and jobs must continue. He repeated that the country has checked the crisis.

"The president of Mexico has shown the ability and sense of mission to orient (?efforts) toward the removal of obstacles that hamper national economic progress. The strategy is aimed at tackling the most serious problems in the country, not at achieving spectacular and temporary results. There is still a long way to go. We must persist in our efforts toward reconversion; that is, the country's ability to develop."

BRIEFS

DRUG ARRESTS, DESTRUCTION -- Mexican Army and Federal Police forces located and destroyed three marijuana plantations -- approximately 70 hectares -- in three separate actions carried out in Chihuahua. The government forces also arrested 7 [as published] traffickers and confiscated 5 kg of heroin, 15 high-caliber weapons, several pieces of jewelry, and various vehicles. The arrested traffickers' names are Gilberto Cisneros Aguayo, Jose Chaparro Julian, Angel Gutierrez Martinez, Ismael Baez Solis, Jesus Monzon Arroyo, Eduardo Lopez, Antunio Quintero Molina, and Marcelo Rodriguez Najera. [Summary] [Mexico City EL NACIONAL in Spanish 7 August 87 p 6 Pa]

INCREASE PEMEX PROCESSING CAPACITY -- Pemex will soon increase its capacity to process crude by 24 percent. It will go from 1.349 million barrels to 1.679 million barrels per day. The objective of this program is not only to meet the demand for oil by-products but to support the country's development through a timely, economic, and reliable supply of gasoline, diesel, and other by-products. [Summary] [Mexico City EL NACIONAL in Spanish 12 Aug 87 p 3 Pa]

DUARTE QUESTIONED ON SUMMIT PLAN, AMNESTY

PA161550 San Salvador Domestic Service in Spanish 0104 GMT 12 Aug 87

["Dialogue with the People" program with President Jose Napoleon Duarte and unidentified moderator; place and date not given; broadcast in progress -- live or recorded]

[Text] [Duarte] ...when I asked the Salvadoran people for their vote to become president of the Republic, I raised the point that the most important thing the country had to do during this period was to [word indistinct] seek peace.

I have made a humble effort, but still believing [word indistinct] of society to [words indistinct] of our country [words indistinct] human rights violations and abuses of power. I have sincerely sought peace.

The culminating moments of that search were our trip to La Palma, and more recently, our trip to Guatemala wherein we had the historic responsibility of attending the presidential summit. During the summit we discussed the issues of peace in Central America and in El Salvador.

The five Central American presidents signed a historic document. It discusses basic elements in the search for peace, and that is why I want to hold a dialogue with the people on that peace process, which began with the signing of that document by the five Central American presidents. May God help us do so. I will now answer your questions.

[Moderator] Salvadoran people, we are very happy, because this is a historic program, as President Duarte just said. It is not everyday that we have the president of the Republic ready and willing -- he has always been so, but more so on this occasion -- to answer your questions over the telephone.

We want to clarify something. First, we have a question for the president. After he answers it, our telephones will be ready to receive your calls and President Duarte will also be ready to answer all your questions.

Our opening question, Mr President, deals with the historic presidential summit that recently took place in Guatemala. I would like you to give us your view on the document you signed, which outlines a procedure to establish a lasting peace in Central America. I would like you to say something about that.

[Duarte] Thank you for your question. I think it is a pertinent time to remark on this. The document we have signed includes several provisions for peace. Most important is that we presidents pondered the philosophy of peace in Central America. We reached the conclusion that only through the political willingness of the governments and peoples of the five Central American nations is it possible to achieve peace. This is why the document begins by expressing this political willingness, this iron determination to struggle for peace. The document also includes fundamental components, the necessities for peace.

The original Arias plan and other proposals, such as the proposals of Contadora, President Reagan, and Honduras, have all included a fundamental principle. Thus, each of the forces and governments presented its own position. I tried to present to the Central American presidents an analysis of each proposal. Finally, I made an analysis of my own proposal.

If I may be permitted, I will now move to the blackboard to outline the basic principles. I believe viewers have already read the Central American peace document. May I briefly outline the basic contents of this plan. First, as I have said, each of the various sectors and governments presented a basic approach. For instance, one of them demanded a cease-fire. Another demanded democratization. A third demanded an end to the use of territories. Still another demanded an end to aid for the guerrillas. There were approximately 10 similar proposals. Each of the proponents insisted that his proposal was of a sine qua non nature; that is, if his demand was not met, nothing else mattered. The rest of the proponents followed suit and demanded the same. In this way, each of the governments, each of the presidents, each of the sectors, including Contadora, insisted on an agreement based solely on his or its proposal or viewpoint. So I told all of them: Look, we must all understand that, to find a solution, all of these elements must be integrated into a consistent plan. This is why I then introduced El Salvador's proposal.

We must also understand that all of these proposals, including Contadora's, were made with Nicaragua in mind. The Reagan plan was drafted with Nicaragua in mind. The Arias plan was aimed at Nicaragua. These plans did not take their effect on El Salvador into consideration. I then posed this question: What are we seeking? We want democratization for the benefit of the people. But it happens that there are some people who are disrupting, who want to destabilize the country: the guerrillas, who are preventing the country from marching toward democracy. These people are basically supported by the Soviet Union, Cuba, Nicaragua, and other countries, and they operate from Nicaraguan territory, where they have their headquarters, and some areas in Honduras [as heard]. Therefore, the support, sanctuary, and protection they enjoy make them want to continue to wage war and to destabilize the process. We must first continue our work with the people to strengthen democracy.

Second, we must eliminate the connection between the aid and the territory because they receive their aid through Nicaraguan territory: Aid for the guerrillas must be stopped and Nicaraguan territory prevented from being used to support the guerrillas. If this is achieved, then, as the result of this triangle formed -- people rejecting the guerrillas, aid ceasing to reach the guerrillas, and territory ceasing to be used by the guerrillas -- they will weaken. When the guerrillas are weakened, they will have two alternatives. Either they will be defeated by the Armed Forces, or they will negotiate, seek peace, and join the country's democratic process. If they join the democratic process there will be a cease-fire. A cease-fire should be the direct result of those sectors who are up in arms, namely, the guerrillas, not being able to stand by themselves. They will have to negotiate peace. So, peace is the result of all of these elements.

Of course, for the guerrillas to join the process, we must add a catalyst, something that we must do so the guerrillas join the democratic process after the cease-fire. This catalyst is an amnesty. This is the proposal I presented to the presidents. I told them this will result in protection. The consensus of all the Central American presidents and their support, and the support of all world countries will prevent the Soviet Union, Cuba, or any other country from interfering in this region. The entire world would protect this area so the country would walk in democracy, be strengthened, and achieve a most important goal: peace.

This is the plan I briefly outlined for the presidents and they have accepted. The document was drafted with this concept in mind. When you read the document, you will note on the last page a section where priorities are explained. All these points will go into effect simultaneously. The cease-fire will go into force at the same time that Nicaraguan territory ceases to be used by the guerrillas, they stop receiving foreign aid, and we strengthen democracy. This very same situation will occur in Nicaragua. In that country, the process and situation are similar. But they formed a totalitarian barrier to prevent democracy from being achieved to prevent the people from achieving this democracy. They used this barrier as an excuse to prevent the democracy of the people. The contras could not approach the people because of this totalitarian barrier. However, now we have eliminated this totalitarian barrier. By removing this barrier and opening the doors of democracy, the people can express their opinions. Without aid and territory, the contras must join the democratic process. For this, however, the democratic process must first be established. The basic price Nicaragua must pay is a democratic opening.

Both El Salvador and Nicaragua, the two countries with problems of violence and war, would apply the same procedure and experience the same situation. All of this will lead to peace. For El Salvador, peace is the democracy that we are already experiencing and will continue to experience. We will strengthen this democracy and achieve peace. Once this has been attained, we, the working Salvadorans, will achieve economic and social development. Nicaragua should begin by opening the doors to democracy; they must let the people begin to express their opinion. By doing this, the democratic structures can begin to be strengthened.

This will force the Nicaraguan Government to decide whether it continues to be a totalitarian Marxist-Leninist government, or if it becomes a government that opens the doors to democracy. Even if it has a socialist concept, it would mean the government in Nicaragua would change from a totalitarian government to a socialist democratic government. If this happens, Nicaragua would become a democracy and the procedures for the next elections would be established. This will open the doors so the Nicaraguan people will be the ones to make the decision.

Therefore, we have two historic challenges: To make possible and feasible in El Salvador and a solution Nicaragua. I think this is a sufficient explanation so that all the listeners can have a complete overview of what is addressed in the Central American peace plan.

[Moderator] That is right, peace is what everyone seeks, especially the Salvadorans. How could we not want peace? Mr President, there is a disturbing question. In the first summit, you were accused of opposing, of blocking this summit in June [words indistinct].

Can you tell us why you were accused of this? Were your contributions and suggestions taken into account? Can you speak further on this subject?

[Duarte] Of course. As one of the instruments to try to discredit me, the Nicaraguans used the fact that Mr Habib of the United States had passed through here and they claimed that Habib had ordered me to stop the presidential meeting. That is not true. The truth is that the Costa Rican foreign minister came here and told me that all the foreign ministers' meetings had been suspended because there were disputes among the foreign ministers. I then told him: How can we hold a presidential meeting if the foreign ministers are in disagreement and are not going to reach agreement? The logical thing -- this took place around the 26th -- would be for us to delay this meeting a little longer to give the foreign ministers the opportunity to reach agreement and to prepare to meet. A presidential meeting that has not been prepared is very dangerous because the outcome would be disastrous. That is why I said that prior to it we must hold foreign ministers' meetings to discuss the issues. That is how it was done. The first thing that was said by the foreign ministers and even the presidents in the presidential summit was that I had been right, that the solution was precisely that a foreign ministers' meeting be held prior to the presidential meeting. The results are evident. We were able to reach an agreement because there were preparations for the presidential meeting.

[Moderator] We are now receiving a telephone call. Welcome to "Dialogue with the People." What is your name and where are you calling from?

[Rosales] Beatriz Rosales from San Salvador. My question is whether the amnesty is going to have any provisions for political prisoners?

[Duarte] Thank you for calling. The answer is found in the presidents' document. The chapter on amnesty establishes that all those who accept the amnesty plan and all those who are imprisoned for political or politically-related reasons will be released. This means we must approve a law in each country, and a legal procedure will be established, so that all the political prisoners and all those held for politically related crimes, so long as they are not charged with assassination and crimes that fall under common crime, will be released. This is what is stated in the plan we approved in Guatemala.

[Moderator] We are inviting listeners from throughout the country to call us. Thank you for doing so even before the program began. Good evening, what is your name and your question?

[Escala] Good evening. My name is Carlos Escala. My question to the president is that we do not doubt that the four democratic Central American countries are going to fulfill the agreement. Now, then, Nicaragua, having a Marxist government, is really totalitarian. It is known that the Marxist ideology only seeks to expand and does not seek a democratic position. The document says that a type of oversight board will be established. Up to what point will it be possible for Nicaragua to fulfill those agreements? I do not doubt the goodwill of the Honduran, Guatemalan, Salvadoran, and Costa Rica Governments. But I do doubt Nicaragua's goodwill.

[Duarte] Thank you for your question. I think that is a worrisome question for all Central Americans. Precisely in the foreign ministers and presidents' meeting, when we were discussing things point by point, the votes were four to one. The four democracies voted alike and Mr Ortega, for Nicaragua, voted against them.

This continued until I told them we had to have some sort of philosophy; we needed a reason to implement the Central American peace plan. I made a list of questions regarding this matter to help us make up our minds. I also said there is no point in resolving the problem of reaching an agreement if we do not have the political will to abide by it. Because of this I told them that we, the presidents, must be clearly and firmly determined to abide by the agreement. We must also convey this message to the people because it would be useless for a president to try to comply if the people and the government do not want to comply with the peace plan.

At the conclusion of the ceremony for the signing of the peace document, I spoke to each of the presidents with his corresponding foreign minister. I told President Vinicio Cerezo, of Guatemala: Mr President, I want you to answer this: Are you prepared to comply? Have you read this and are you aware of its contents? Each of the presidents answered yes, until I approached [Nicaraguan President] Ortega who was with [Foreign Minister] D'Escoto, and I told him: Mr Ortega, I want you to tell me clearly: Are you prepared to comply? Yes or no? Yes, he said. I told him: I want you to repeat that to me. Are you prepared to comply with the peace plan we have signed? Are you aware of what you have signed? Do you know what it means? Are you prepared to comply with it? He said: Yes. I told him the plan begins with the assumption he will comply.

When negotiations take place between two persons who trust each other, they just shake hands and do business, paperwork is not needed. However, when there is no trust, then documents are signed in front of a judge, etc, in other words, it is made certain that there are witnesses to the agreement. What testimony do we have of what we have done? First: the public meeting of the presidents. Second: the signing of the document, which is a contract with which the presidents will comply. Third: There are domestic verification commissions that include the church -- in the case of Nicaragua it is the bishops who will prepare a list of three candidates from which the church's representative will be chosen -- the opposition political parties -- there are nine in Nicaragua; they will meet to prepare a list of three people from which their delegate will be chosen -- a notable person who will be elected in each country to form part of that commission, and a representative of the government. This four-member commission, where the government does not have a majority, will domestically verify that each nation complies with agreements.

There is another form of control and verification. It is composed of the secretaries general of the OAS and the United Nations, the four foreign ministers of the Contadora Group, the four of the Support Group, and the five foreign ministers of Central America. All of them comprise the control and verification commission. Thus, there is no doubt compliance with the agreement will occur. This commission must present a report 30 days after the expiration of the 90-day deadline when everything should be functioning, and 60 days later, that is, 150 days after the signing of the document, the presidents will meet in San Jose to receive the reports and to establish whether or not there has been compliance and also to make the appropriate decisions.

I believe we have considered every detail to make certain there is compliance with the plan because if there is compliance, we will achieve peace. However, if Nicaragua does not comply, then the whole world will see that Nicaragua has not complied with the plan, that Nicaragua has a totalitarian and Marxist government, and there will be no doubts about this throughout the world.

This will also allow the governments of the world to adopt whatever measures their security may demand. In the case of the United States, that country has already presented, through Secretary of State Shultz, a proposal to Nicaragua telling the Nicaraguan Government to comply, because otherwise the United States reserves for itself the right to help the contras.

All this means there is a process that is forcing Nicaragua either to comply or to face the consequences of noncompliance.

[Moderator] Our subject this evening is peace. There are more phone calls in this program "Dialogue with the People." Good evening.

[Benjamin] [Question indistinct]

[Moderator] From where are you calling Mr Benjamin?

[Benjamin] [Words indistinct]

[Moderator] From San Salvador, thank you.

[Duarte] Thank you, Mr Benjamin, for your question. The problem, looking at it deeply, is that the big loser in this document signed by the presidents is the rebels who are trying to overthrow the democratic system. The big winners in this project are the Salvadoran and Nicaraguan peoples. This is why the people of the FMLN and the FDR are going to try not to assume their historic responsibility. But the agreement says that Nicaragua will not permit them to use its territory and will not provide them with assistance. This means they will be left without aid. Furthermore, those who are now in Nicaragua and who have an operations center in Nicaragua must leave. This is one of the things I asked all the presidents, and President Ortega personally.

So they are going to be left without their most important support in the Central American area. It is going to be more difficult for them to obtain what they need to maintain the war. They are going to be weaker and obviously, the Armed Forces, which will be receiving world assistance and assistance -- both military and economic -- from the United States, will have greater capabilities.

A weakened guerrilla organization will be facing strengthened Armed Forces. The guerrillas will have to decide to either join the democratic process and accept the cease-fire, the plan, the amnesty, the peace process, and the democratic process, or see the entire world giving us the moral support we need so the Armed Forces may defend the nation's sovereignty and integrity.

This is the idea on which all the presidents have agreed. This is what the document states and, therefore, the rebels must accept the condition. They must accept because the only way they can join in is by negotiating for a cease-fire and by opening the doors for an amnesty. The document also states that violence must not be used, that they have to renounce violence and that they must join the democratic process.

Before, I was the only one who asked them to do this. Now five presidents and the whole world are asking the guerrillas to abandon the road of violence -- because violence is not a legitimate way to reach power -- and to join the democratic process and put down their weapons. This is a fundamental condition and there is a special chapter on this.

This is why the guerrillas, before making propositions, should state their position and say whether or not they agree with the entire plan because, as you have noticed, the plan is an integral one. It is not a plan from which one can accept one part here and one part there. The five presidents have said that the entire plan is indivisible and must be accepted completely and must be fully in effect in 90 days.

This is what the rebels must accept to be able to join us. I am prepared to search for ways so that they may join the process and put down their weapons and establish a cease-fire. I have the obligation to do so once they say they agree with giving up violence and joining the democratic process, as the plan states, in other words, if they accept the plan.

This is the proposal I make, the appeal I make, to the rebels.

[Moderator] Good evening, this is "Dialogue with the People."

[Caller] Good evening, I would like to ask the president something.

[Moderator] What is your name, sir, and where you are calling from.

[Romeo Torado] My name is Lieutenant Reyna Romeo Torado. I am under arrest. I am a political prisoner. My question deals with amnesty because every time there is an amnesty plan the military is always excluded as if there were discrimination against the military people in amnesty decrees. I am the only one who in 6 and 1/2 years [words indistinct] I have been excluded several times. With this decree signed in Guatemala, it seems to me there will be a total or general amnesty. I do not know if there will be discrimination or an exception made against anyone. This is my question, Mr President.

[Moderator] Thank you for calling. The president will now answer.

[Duarte] I will say once again that the amnesty applies to political prisoners and political crimes. The amnesty does not benefit criminals and people involved in murder and common crimes. However, all political prisoners will have the right to benefit from the amnesty. If you are not involved in a crime of kidnapping or murder, then you could seek amnesty so long as this is under the law.

I am not familiar with your case and do not know the reason for your detention. However, if you are under arrest for noncompliance with your duty, that is a problem of a military nature.

Second, if you are under arrest for having committed a crime, and because you are an officer, your case is handled directly by the military courts, the amnesty does not apply in your case because you have committed a crime within the Armed Forces and are subject to a military trial.

However, if the crime is eminently political in nature, then you would be covered by the amnesty. The amnesty is open to all who join the democratic process, always provided the cases are not crimes that fall into a special category like murders, kidnappings, and -- of course -- crimes that are eminently military in nature.

[Moderator] We ask viewers to give their names and the place from which they are calling when asking their questions.

[Morales] Good evening. This is from San Miguel. I am Jose Raul Morales of the Eastern Association of Newsmen. I wan to ask President Duarte what has been written in this document regarding freedom of the press; what are his views about the situation of the Nicaraguan newspaper LA PRENSA, and what is the outlook in this document that was signed by all the Central American presidents?

[Moderator] Is that your question?

[Morales] That is right.

[Moderator] Thank you. Thank you also for watching in San Miguel.

[Duarte] What is the caller's name?

[Moderator] He is Mr Jimenez [as heard]

[Duarte] Raul Jimenez. Thank you Mr Jimenez. In the section on democracy, we have insisted that there must be three fundamental things because I firmly believe that the freedom of a people, that the democracy of a people passes through [as heard], takes on strength, or dies depending on whether or not there is freedom of expression, freedom of the press, the freedom to say what one feels and wants.

That is why there are three points in it, which read as follows: There must be complete television, radio, and press, freedom. This full freedom includes opening and keeping in operation news media for all ideological groups and operating such media without prior censorship.

This means the newspaper LA PRENSA must be opened 90 days after the signing of this document. Therefore, the Chamorro family will have the opportunity to open this newspaper. This is a commitment on which I insisted with Mr Ortega. I told him I will do everything possible to ensure compliance.

The second issue is that there must be full political and party pluralism. Political organization will have full access to the news media; full enjoyment of the right to organize and to hold public demonstrations; unrestrained use of voice, published, and televised publicity; and freedom of movement for members of political parties to carry out campaigns.

This is the fundamental weapon for the mobilization, organization, and expression of all national sectors. We have this in El Salvador. The people take to the streets, demonstrate, and express what they want. This does not exist in Nicaragua. This means they will have to open the doors to this now.

Third, for this to happen, the [words indistinct] point says: The Central American governments that are under a state of emergency or state of siege must lift them. The governments must establish a state of legality with the full enforcement of all constitutional guarantees.

We have already spoken of the present state of emergency in Nicaragua. Nicaragua has always used the excuse of its problem with the United States for establishing the state of emergency and for closing Msgr Obando y Bravo's radio station, and for banning the broadcast of his Sunday homily. They also repressed the political parties and arrested the leaders of the political parties, unions, and businessmen. They did this based on their state of emergency. Now they will have to lift the state of emergency. These are some of the things included in the 90-day deadline. In the next 90 days we will see whether Nicaragua will or will not respect this deadline.

[Moderator] We are broadcasting to the 14 departments of the country. This is our "Dialogue with the People" program. Good evening.

[Joaquin Gomez] Good evening.

[Moderator] Your name please?

[Joaquin Gomez] Luis Joaquin Gomez from San Salvador.

[Moderator] Your question please; we hear you.

[Joaquin Gomez] Thank you. First, I wish to congratulate President Jose Napoleon Duarte for his valuable participation during the Guatemala City summit. I think the people are aware of the important work he is doing for peace in Central America. I have two questions: Is there a legal document to punish the country that refuses to abide by the agreements reached in Guatemala? What will be your government's next step after the Central American foreign ministers meet in El Salvador next week?

[Moderator] Thank you Mr Gomez.

[Duarte] Thank you for your questions; you raise two questions. The first is: Are there are any sanctions? I believe there is the biggest sanction in the world: the moral sanction.

In other words, a country, with its president, has committed itself to the world. We are going to deliver that document; the foreign minister of all Central America are going to deliver it to the OAS and the United Nations. From that moment, the document will become a contract, a treaty among nations that has been duly registered in the United Nations and the OAS. This means that the country that does not comply with the treaty will be going directly against the OAS institutions; the TIAR [Inter-American Reciprocal Assistance Treaty], for example, or the United Nations Charter or the Security Council. There are international and Latin American legal structures, duly ratified by all nations, to ensure these treaties are met.

However, for me the most important thing is not the punishment. For me, what is most important is universal compliance with the treaty. So, my task is to see that in El Salvador everyone complies with the contract, to work to make all Salvadorans comply with it, so that we all make a huge effort so that with our hearts, our feelings, our faith, and with our minds, each and every one of us joins in the search for peace.

However, we also have a responsibility for what happens in Nicaragua. I also feel the Salvadoran people have a responsibility to the Nicaraguan people and I feel my duty is to struggle to make sure that the Nicaraguan people achieve democracy and freedom and that they will be able to speak freely. This is what I am trying to do. I am not looking for punishment, I would like to see these agreements respected because they are vital for life in Central America. If we can get Nicaragua to democratize, if we can get Nicaragua to open its doors to democracy, then at the moment they stop expanding their revolution, they will stop helping the guerrillas, and they will stop destabilizing Central America. This will bring peace to Central America and we will be able to reach an understanding and seek a Central American integration. Then we will be able to reactivate the Central American common market. Business in Central America will advance and it will be possible for all our nations to advance together. I think the plan includes all this and, therefore, your second question is quite logical. What comes next?

At this moment we are laying a foundation. First, we must inform the people. Yesterday I met with the representatives of the media. This morning and this evening I also met with representatives of the media. I have addressed the people and informed them of the plan. Today I also met with the commanders of the Armed Forces and gave them the same message I am giving you now, so they can pass it on to the members of the Armed Forces.

Throughout the week I will continue to work and take this message to all sectors. Tomorrow I will meet with the political parties. This afternoon I met with the Christian Democratic faction of the assembly. I will also meet with the businessmen, and I would like to meet with the workers. We must not forget that I went to Guatemala City with a document given to me by the workers. With that document in hand, when I got to Guatemala I said: I have come here on behalf of the Salvadoran people and the Salvadoran workers who want us to find peace.

Those are our plans. We are going to meet with all those sectors this week. We are also going to draft the documents to be presented at the foreign minister's meeting. This meeting will be held in the next 15 days.

They will review the plans. We are going to present two plans: We are going to carry out a national plan and the Central American plan that all the presidents must carry out. We are also drafting a special plan for things that must be done while implementing each point established in the Central American peace plan. These are things we must do to achieve our goals. We have committed ourselves to this plan and we are going to respect it.

[Moderator] We are talking with our president during this program carried by Canal Ocho and Canal Diez. Good evening.

[Funes de Belloso] Good evening.

[Moderator] Your name please?

[Funes de Belloso] Zoilo Trinidad Funes de Belloso.

[Moderator] Mrs Belloso, where are you calling from?

[Belloso] I am calling from San Salvador and I wish to say hello to the president. I have called to congratulate him and praise him for his courage and patriotism. I pray that his opponents, from both extremes, will put their hate aside and repent and admit the president's good work in the search for peace and welfare of all the people. All of us who love you, Mr President, all of us who admire you pray to God that He may enlighten you and give you wisdom so that you may achieve peace, harmony, and fraternity, among all Salvadorans. Good evening and thank you.

[Moderator] Thank you Mrs Belloso, you have been very kind.

[Duarte] Thank you, I really appreciate your words. I would like to use this opportunity you have given me when you said the various sectors of our national life should accept this peace effort. I think every Salvadoran must have hope and faith that we will achieve this peace. It will not be easy. It will be very difficult. We are going to face all sorts of problems. Obviously, the FMLN will not yield and we will have to make a huge effort to achieve peace. But if the Salvadoran people back their government then I will do all in my power to achieve peace.

For that reason I call on all the sectors, especially on the working class. They have been the most affected by our country's situation; they have faced the problems brought on by misery and sorrow. I am also calling on private enterprise, on all the businessmen. I know you will benefit the most from this peace. The peace plan includes an opening for you to do business, make a living, and make more profits. This government wants to achieve peace and also wants to help in your efforts toward the economic development of the country.

I invite the opposition parties to join this effort to achieve peace, so that it will not be an effort by the president, so that it will not be an effort by the governing party. It should be an effort by the Salvadoran people, and that is why on Thursday I must go to the Assembly to present this document. I hope the political parties there will receive this document with true love, as an expression of the Salvadoran people's desire for peace.

I invite you to join the huge caravan of faith and hope which the Salvadoran people should have in the search for peace.

[Moderator] We are still receiving innumerable telephone calls on the "Dialogue with the People" lines. Good evening.

[Campos] Good evening. My name is Jorge Campos and I am from San Salvador. I have two questions for Engineer Duarte.

[Moderator] Of course, Mr Campos.

[Campos] What would be your government's view on the approval by the United States of aid for the contras. Would it approve or condemn that action? How do you plan to achieve a cease-fire in 90 days, and what would happen if a cease-fire is not achieved within that time. Thank you.

[Moderator] Thank you, Mr Campos.

[Duarte] Don Jorge, there is a reason for your question. In the first place, I understand you are concerned about what may happen if a foreign power intervenes unilaterally in this peace effort. I believe I can prove to you that the United States -- which is the power you were referring to -- has been very gracious. President Reagan has sent me the letter I have here in my hand. Unfortunately, it is written in English, but I will read the statement and try to translate it for you.

The letter opens, of course, with a personal comment to me. It says, quote, upon signing the agreement reached by all the presidents on 7 August, an important step in the search for peace and democracy in the region was made, unquote. He then refers to me [words indistinct] quote, as a fighter for his country's democratic development. I feel and you all should feel very pleased with the role Duarte played in this process, unquote. He adds quote, I am going to study the text of this agreement with great interest. The United States is prepared to help in every possible way in promoting peace and democracy in the region. I hope it will be possible for us to work together, you and I, in the coming days to ensure the implementation of such an important agreement for peace and democracy. Sincerely, Ronald Reagan, unquote.

This document indicates that the United States has understood the statements I have made, and is willing to help. Obviously, the United States understands that the role I have played in this process is important, and we cannot deny that the United States has influence in the region. However, the United States also understands we have opened the doors of democracy, and we are going to make Nicaragua, which has been the problem for Central America, and which the United States has described as the cancer of Central America, decide the way to solve the problem, not through violence or war, but by way of political solutions. This is the challenge and the United States has understood this.

I do not believe the United States would ever destabilize this plan but that, on the contrary, it will support it because Reagan said the very day he was inaugurated that he had priorities that included world nuclear responsibilities and that Latin America was a fundamental priority so that it does not fall in the hands of the communists, and he specifically wanted Central America to have peace and democracy.

Reagan was even more specific regarding Nicaragua, which he would like to see become another of Central America's democracies. Therefore, the United States has two paths. One is to support Nicaragua's internal forces and change the system through the use of violence; and the second is the political path, which is what we have presented. We have now given the United States a brilliant opportunity to help and support this solution that will in turn give the United States the assurance and guarantee that in Nicaragua there will be a process of democratic change that will strengthen democracy in Central America. That is why I would not worry so much over this issue.

Forgive me, but I cannot remember your two last questions. Perhaps you can help me. If we have forgotten the two questions then I will suggest that in the future if more than one question is made that these be jotted down so that I can refer to them. Please forgive me for not answering your questions, but if you can call again I will answer them gladly.

[Moderator] I think Mr Campos' questions were based on this. Friends and viewers, especially Mr Campos, we still have some time on the program so feel free to call us at one of our two phone numbers. Dear listeners, we are receiving more calls. Good evening, this is "Dialogue with the People."

[Caller] Good evening. I would like to ask a question.

[Moderator] Please give us your name and your location.

[Caller] Yes. My name is [name indistinct]. Mr President, first of all I wish to congratulate you for all the efforts you have [words indistinct] to resolve the Central American problems. [Words indistinct] and let me add that I am completely impartial regarding [words indistinct]. However, I do agree with you in that [words indistinct] but there are also other big domestic problems like the excess of authority we are seeing. [words indistinct] the killing of three people in Santa Ana. Likewise, the Indians [words indistinct]. What is being done to resolve these domestic problems? These are very serious problems. You are doing your best for peace in Central America, but what are you doing for peace in the country?

[Moderator] [Words indistinct] more specific regarding your question on the Indians?

[Caller] I am speaking of the killing of the Indians about a year ago. This type of incident has been occurring throughout the year, and yesterday, or the day before yesterday, we heard that an Armed Forces officer had killed several civilians.

This could have been due to personal problems, but I still believe they are abusing their authority, and this is the kind of situation we are seeing throughout the country. Specifically, my question is: What is being done to resolve this type of problem? This is something that worries all of us, it worries the civilians.

[Moderator] Did you hear (?this on a newscast)?

[Caller] Yes, on the newscast.

[Moderator] Thank you.

[Duarte] Thank you [words indistinct] for your question and statement. I wish to tell you my main concern during my 3 years of government has been to correct those problems that arise from abuse of authority and violation of human rights. Much has been done to correct these problems. For example, we have professionalized the security corps. We have done much work with them. We have given them more than (?100,000) hours in seminars. I have talked to them about human rights, and I appointed commissions, formed by priests and human rights authorities, to visit these groups and talk to them about human rights.

However, we must not confuse abuse of authority with a crime. What you have just said will merit an investigation and the authorities will have to act in accord with the law. If a person, military or civilian, commits a crime, then that person must be tried, that person must go before a judge and his arrest must be ordered. This is what we have done in all cases involving crimes.

A few minutes ago you heard the call made by a lieutenant who is apparently serving a jail sentence. He is there for something he did. I do not know what he actually did, but rest assured that whether civilian or military, the society we are creating is based on respect for the law, and it rejects all abuse of the law and authority. A person caught abusing the law or authority must be punished. We need the help of the people for this. The people must be the ones to provide us with the proof we need. For example, there were 300 people present the day Msgr Romero was assassinated. However, none of them saw anything. This is something that is just not possible. Therefore, if the people want to defend social order and social discipline, the people must be responsible, assume responsibility, and tell the truth. You cannot be afraid of standing up and saying: Here is a man who committed a crime; I saw him. This gives us the strength that we, as the government, need to do what we must do. The attorney general is currently involved in an operation to investigate and prosecute all the common criminals regardless of who the criminal might be. The attorney general has received orders from me to prosecute any person accused of corruption.

We have created a special commission. Aside from the police, the guard, and Treasury Police, who are also prosecuting the criminals, we have created a special commission. This commission is using new investigation techniques and new equipment. We are trying to find all those criminals.

The specific case you have mentioned, about the Indian peasants who were allegedly murdered some time ago, I think you were referring to the Sonsonate and the so-called Las Hojas cases. This is in the hands of the Sonsonate judge. He is responsible for calling the witnesses to testify and to prepare the procedures that will bring the guilty parties to trial. That is what the govenment must do -- present the cases before the judge so the accused person can be tried. But we also need honest judges who will sentence a criminal, keeping in mind that the society must be protected. The judge must get all the information available and leave no room for loopholes; the judge must make sure that justice prevails in the country.

We must change our society, and to change our society we must change justice in the country. I have made a suggestion. I suggested that all judicial procedures in the country be amended. I have done this to ensure more justice and security in the country. In this country we want to make sure that all criminals go to jail. These same amendments will guarantee that every citizen will have a right to be defended. I have presented amendments to the penal code and procedural code to correct certain mistakes. For example, in the past a man who stole a chicken or a mango was sentenced to 2 or 3 years in jail and there was no way that he could get out of that jail sentence. With these amendments, those who committed crimes that are not considered serious crimes will be able to get out of jail.

But, my dear friend, to do this we need the support of the people. We need the support of everyone to ensure that civilians and military men will remain within the law; that we all remain within the law and social discipline. We must respect the Constitution, laws, and discipline. It is wrong for the UNTS [National Union of Salvadoran Workers], the university students, and other union members to take to the streets carrying sticks with nails sticking out to beat the people, threaten, and kill the people. This disobedience and disorder is not good. It is wrong to go on strike and forget about the sick people, as was the case of the Social Security workers. It is not right that people should be injured as were the Social Security workers. This represents indiscipline. It is the responsibility of all Salvadorans to correct this type of situation. For this reason I thank you for your support of the government's policy of tolerance and understanding. However, we must also be firm, because democracy is not weak. Democracy is strong when the people abide by the law; when the people help to strengthen and protect society.

Thank you for your question, and I assure you that the government continues, and will continue, to struggle to find, arrest, and bring the guilty criminals before the authorities.

[Moderator] We are now going to hear another question from our viewers. Good evening, this is the "Dialogue with the People" program.

[Caller] Good evening. [Words indistinct]. I have the following question.

[Moderator] Distinguished friend, please tell us your name and your location.

[Caller] I am calling from Salvador and I do not think my name would make a difference because I am one of the many people who make up this suffering people. If you have no objections, I would like to ask a question.

[Moderator] Go ahead.

[Caller] Esquipulas I was held and later came Esquipulas II. I do not see any positive results from the Esquipulas I summit. Then came the Esquipulas II summit. Fortunately, much was achieved. However, there are some voids. Am I still on the air?

[Moderator] Yes, you are.

[Caller] There have been many voids, so to speak, regarding the fact that perhaps Nicaragua's rebel forces, its armed groups, at least its political corps was near to where the meeting was being held. However, the forces [words indistinct] El Salvador did not make any physical appearances whatsoever. This was the first void.

The second void [words indistinct]. The Esquipulas II meeting centered mainly on achieving peace, but I feel that before we can attain peace on a regional level we must seek peace on a national level. That is what we want most in El Salvador, to have peace. However, we want true peace, not a fictitious peace signed on a piece of paper. There is still a long way to go before achieving this. I believe that before meetings of this type are held our government should consider certain internal aspects because I assume that the president is doing a great deal to achieve what he wants so much: peace. We also want peace.

However, at the intermediate level, the ministers and such, there is too much corruption. If Duarte does not combat this corruption I believe that several more Esquipulas meetings -- three, four -- will serve no purpose because our country will never achieve peace. Peace must come when the people's stomachs are full, not when their stomachs are empty. What good is peace with empty stomachs? This is what has happened. There is too much poverty, too much hunger because of the corruption that exists in the government. This is all I wanted to say. I hope I have not offended Engineer Duarte with my words, the truth [words indistinct]. Are we on the air, sir?

[Moderator] Of course.

[Caller] I am not being censored?

[Moderator] Everything is fine, very fine.

[Caller] That is the truth. I am a fellow who (?tries to help) the people. I see that the [name indistinct] is corrupt, the Economy Ministry is corrupt. What are we to do? We are lost. We can no longer stand the huge inflation this system has created. This is my concern. I believe Engineer Duarte is sincere. I am one of the people who supported him most during his campaign in 1972 because his objectives were good. However, I believe the people have failed to understand him and have chosen other paths. I hope I have not offended Engineer Duarte with these harsh words, but this is the truth. Perhaps I do not have the right to, but it is my duty to tell him the truth, and if he does not know the truth it is time for him to know it. There is too much corruption, and as long as this is not resolved it is useless to hold so many meetings and make so many sacrifices. That is all.

[Moderator] Thank you for...

[Caller, interrupting] I would like to know if I can hear the answer by phone.

[Moderator] Yes, sir, we can hear you.

[Caller] No, the answer. I am far and [words indistinct].

[Moderator] Oh, by phone. Just a moment.

[Duarte] Hello, dear friend, here I am answering your question. Unfortunately, I do not know your name so I cannot address you by your name. I want to tell you the following: We are making an effort at the national level to achieve peace. Likewise, we are making an effort at the Central American level because we cannot achieve peace in El Salvador if we not achieve peace in Central America.

However, you mentioned another totally different matter, namely, the problem of corruption. You specifically mentioned two areas. One is the Economy Ministry and the other is the IRA [Institute of Supply Regulation]. I can tell anybody who denounces any act of corruption, no matter where, that I have set up at the presidential palace the Integrity Committee to investigate these matters. I will proceed against anyone who has acted improperly. We have already arrested several people because they were corrupt. I have fired many other people who were guilty of corruption. As for the IRA, we have changed management. As a matter of fact, the Integrity Committee is already conducting an investigation on the matter. I have asked for a report by the Republic's accounting office to pinpoint responsibilities, regardless of who is involved. The same thing applies to any other institution.

However, if you have the courage, dear friend, if you are a man who loves his country and is part of the people of this country who are prepared to struggle to do justice and have full liberty, I invite you to please to go the presidential palace. I have set up a special Integrity Committee. When you go the presidency's main gate, say you are there to report an act of corruption. The Integrity Committee at the presidential palace will meet with you and will conduct an investigation. If the misconduct is verified, I will personally make the apprropriate decision. I think this answers your question. The important thing is not only that government is committed to correct the problem but that society is also prepared to do so. So, I invite you to provide the encouragement needed. I invite you to help the government advance and be able to resolve the current problems.

There are problems, but problems are confronted and resolved; problems are not resovled with regrets. For this reason I ask you to stop regretting and help me resolve the problems. Since you do not wish to give me your name, go to the presidential palace tomorrow. When you get there just say you talked to me during this program and that I invited you go to the presidential palace to present your charges. You will be met by the (?Integrity) Committee, they will hear your charges, and they will also look into this. Thank you.

[Moderator] I think we are fulfilling the objectives of the program. This is a "Dialogue with the People." Well, we are getting more phone calls. Good evening.

[Caller] Good evening.

[Moderator] We can hear you. Your name please?

[Caller] I would like to ask the president a question regarding the reaction of the U.S. Congress [words indistinct].

[Moderator] Your name and your location. Hello, hello? Your name and your location. Hello.

[Caller] From San Salvador.

[Moderator] Your name?

[Words indistinct]

[Moderator] Thank you , Mr Iglesias.

[Duarte] Regarding the question [words indistinct]. I cannot remember what the friend asked.

[Moderator] If it was a question. I must honestly admit, Mr President, that I did not pay much attention [words indistinct]. I will ask the viewers to speak up, speak clearer, and a little slower. We will also jot down the question. Well, we are receiving more calls at our phone number, 28-0973, one of the phones for your "Dialogue with the People" program. Good evening.

[Jimenez] Good evening. Carlos Jimenez, San Salvador. I would like to ask the president of the Republic a question regarding the Esquipulas summit. A few minutes ago he mentioned that there is a 90-day deadline during which President Daniel Ortega must make some changes within his government. These changes would be for the good of the people.

Knowing a bit about the history of the leftist, or communist governments, we know these governments do not respect treaties and signed agreements. Therefore, I would like to know what makes President Duarte so sure that Mr Daniel Ortega will not fail his people again and that he will not continue to commit atrocities and continue to give help to the Salvadoran guerrillas. How will President Duarte be able to control this?

[Moderator] That was your question?

[Jimenez] Yes.

[Moderator] Thank you.

[Duarte] Thank you very much for your question, but before I answer it I wish to say that I just remembered what it was that Mr David -- I think that was his name -- asked. He asked me about the U.S. Congress' opinion regarding this peace plan. I can tell you that aside from the dispatch I received today from President Reagan, I have also received phone calls from all the congressmen and many senators. The various U.S. sectors have called, and the most recent call was made by Mr Christopher Dodd.

I will give you an example: Christopher has never been in agreement with economic and military aid for El Salvador. However, he called me on the phone to say that if the U.S. Congress gave their support to the Salvadoran Government's efforts for peace and democracy and if they suggested more economic and military aid for this country, that he, who had always voted against the aid, would vote for it because we have shown him that we are really struggling for peace. My friend David, this proves that the United States does support this process of peace that we are undertaking.

Now I will answer Jimenez' question. I think he asked me what makes me so sure that Ortega will respect the agreements.

I think Ortega is currently facing a people who are waiting for the 90-day deadline during which the process of peace and democracy will begin. The best assurance we can have -- just like the assurance we got when the Salvadoran people, despite the bullets, went to the voting centers to cast their vote and say that they wanted peace and democracy and not war -- is that something like this happens in Nicaragua. Despite the Marxist-Leninist dictatorship, the Nicaraguan people will take to the streets.

Once someone invited me to visit Nicaragua. I refused the invitation because I did not feel that it was the right time for me to visit Nicaragua because it could be interpreted that I was supporting the communist, Marxist-Leninist, Sandinist government of Nicaragua. But now is the time to put our eyes in Nicaragua; we must be present in Nicaragua. If I can, I will go to Nicaragua to see to it that the Nicaraguan people have the same opportunity that the Salvadoran people have had. This is a historic responsibility that I and the other Central American presidents have. We should not only give peace and democracy to our people, we should not only have honest and just governments, we must also secure peace for Central America. We have one country to go to achieve this democracy, and that country is Nicaragua. The four democratic governments have the responsibility to help Nicaragua become a country with a democratic system in which the people can live in freedom and achieve justice based on democracy. That is perhaps the most important thing; the most important guarantee that a society can have. We have given the Nicaraguan people a hope.

When I left Guatemala the various Nicaraguan political sectors that were in Guatemala City embraced me and said: Once the state of emergency is lifted, once we have freedom, once radio and television are opened, we will put the will of the Sandinist government to a test. That is the best guarantee we can have.

[Moderator] Viewers, as in all programs, our time is up. We have heard from many people. We were very happy to hear our callers from Santa Ana and San Miguel. We have many viewers and we wish to thank you for taking us into your home.

Mr President, this is not a good-bye; it is a see you soon on this, your program, "Dialogue with the People." Next time we will take down the questions in shorthand. [laughter]

[Duarte] Thank you.

[Moderator] We did not plan to have you here so soon. It was very nice, and you the viewers who called and whose calls we were not able to accept because of the many other calls received, I am sure that we will have the president here again on another occasion.

[Duarte] Thank you for this opportunity. I just wish to thank the Salvadoran people for this opportunity to talk to them. I ask all of you, businessmen, workers, political parties, civilians, military, all the sectors of the country. Let's walk together in the search for peace, with optimism and faith. Thank you and God bless you.

ALFONSIN SEEKS QUICK, LIMITED WAGE TALKS

PY210023 Buenos Aires BUENOS AIRES HERALD in English 19 Aug 87 p 11

[Text] (NA-DYN) -- President Raul Alfonsin and Group of 15 leaders agreed to speed up negotiations leading to collective wage bargaining talks with the condition, voiced by Economy Minister Juan Sourrouille, that wage talks be kept within "concrete" limits "in order to avoid excesses."

The President also promised to talk to Radical senators in order to fix a definite date for the congressional treatment of the package of labour bill lodged in Congress.

Central Bank President Jose Luis Machinea had earlier stated that "there will be no free collective wage bargaining talks," adding that talks between business and labour leaders would first have to deal with working conditions before proceeding to the issue of wages.

The General Confederation of Labour (CGT) blasted Machinea "for inventing a new sort of wage bargaining which excludes talks on wages" and revealed it will meet today to study the new agreement between Alfonsin and Group of 15 leaders.

Vice President Victor Martinez meanwhile admitted that "the mechanisms devised to implement wage talks are not those we would have desired."

Martinez underlined that the government would keep the promise made by Alfonsin to a group of labour leaders but admitted that the Radical administration would have liked to have had wage bargaining talks under the conditions established in the labour bills currently delayed in Congress.

Alfonsin called on labour and economy ministry officials present during the meeting to "define as soon as possible" the decree regulating wage talks. Group of 15 sources revealed they had requested an agreement "within 48 hours" in view of the fact that Sourrouille will be leaving the country today.

Presidential chief of staff Carlos Becerra and Radical federal capital leader Enrique Nosiglia were also present at the meeting. Sourrouille and Treasury Secretary Mario Brodersohn attended the negotiations on behalf of the economy ministry while labour aides Delfor Gimenez and Armando Cavalieri led a team of Group of 15 leaders including deputies Jose Rodriguez and Jorge Triaca.

The visitors also agreed to contact business leaders and the CGT this week in order to form the tripartite committee in charge of monitoring the development of prices and wages.

Leaders of six prominent business associations met Sourrouille yesterday to discuss the results of the agreement between Alfonsin and a group of labour leaders.

Business leaders had earlier voiced objections to a call for wage bargaining talks in the near future. Mercantile Activities Board chairman Juan Carlos Lightower Stahlberg and Argentine Industry Council President Rolando Pietratueno warned that this was not the right time to implement wage talks while Argentine Chamber of Commerce chairman Ovidio Bolo was of the opinion that talks should be limited by the current economic conditions "within an appropriate legal framework."

Both labour and business leaders pointed out that 12 years have passed since there were last collective wage bargaining talks and suggested that "the first approach to talks should be cautious."

According to some of the labour leaders present at the meeting, the President referred to the much-announced constitutional reform and the need to include members of other political forces into the presidential cabinet.

The mostly Orthodox Peronist leaders said that Alfonsin denied he was trying to form a coalition cabinet or merely seeking re-election through the proposed changes.

Presidential spokesman Jose Ignacio Lopez revealed that Alfonsin yesterday voiced hopes that the agreement with labour leaders and recent talks with business representatives would revive a "social pact."

CGT Refuses Participation

PY222018 Buenos Aires BUENOS AIRES HERALD in English 22 Aug 87 p 11

[Text] (NA-DYN) -- The General Confederation of Labour (CGT) yesterday announced it would not participate in wage talks "while labour laws dating back to the military regime are still enforced" and charged that the much-announced promise to call for free wage bargaining talks "is a big lie."

The CGT demanded an immediate readjustment of wages to the cost of living and repeated its decision to stay out of the thus frustrated government-business-CGT tripartite committee in charge of monitoring the development of prices and salaries.

"We are not willing to participate in a parody of wage bargaining talks while the legal-instruments ruling out activities are blocked in Congress," he said.

CGT Secretary-General Saul Ubaldini announced he would request an immediate audience with Labour Minister Carlos Alderete when the latter returns to Argentina today.

The conflict between the CGT sector responding to Ubaldini and Renewal Peronist Labour leaders against the mostly Orthodox Peronist Group of 15 promoted a series of meetings between Labour Ministry officials and union leaders to study the situation.

Ubaldini later claimed last night that Group of 15 leaders remain within the CGT after learning of President Raul Alfonsin's assertion to the effect that "the attitude of Group of 15 leaders is much more serious and efficient in the defence of workers than the position taken by the CGT."

Official sources revealed that Group of 15 leaders within the Labour Ministry had decided to await Alderete's return before taking any steps to ameliorate the conflicts with the CGT.

In other developments, the textile workers union called for immediate free wage bargaining talks to deal with the erosion of real wages yesterday while the Argentine Business University (UADE) released a study stating that real wages dipped between 3.8 and 4.9 percent during July while pensions received the full impact of the 10 percent inflation rate for the month.

The ENTEL [National Telecommunications Enterprise] state-owned phone company meanwhile denied that its workers had received a wage hike ranging from 60 to 100 percent as reported in the Ambito Financiero Daily.

GRINSPUN PRESENTS 1987-91 DEVELOPMENT PLAN

PY211903 Buenos Aires BUENOS AIRES HERALD in English 21 Aug 87 p 1

[Text] Planning Secretary Bernardo Grinspun presented yesterday the so called National Development Plan 1987-91, which according to Grinspun is not "a rigid element" but rather a "growth hypothesis" which can be demonstrated and applied and which should be completed with the formulation of sectorial plans.

The National Development Plan foresees a Gross National Product (GNP) average annual growth of 4.4 percent; a cumulative growth of gross investment of 10.5 percent; a cumulative unemployment reduction of 3.9 percent, a cumulative gross agricultural product growth of 5.1 percent and a cumulative gross agricultural product growth of 4.4 percent. Exports are expected to increase from 11.3 percent of GNP to 15.1 percent by 1991.

According to the 497-page project, modernization will be reached through the following policies: a programmed and progressive opening-up of the economy, the restructuring of the state, a global financial reform, a redefinition of productive and service activities and the elimination of informal and underground economies.

Grinspun explained that the plan had a very long process of preparation. The first version was elaborated between September and October 1985 and distributed to all government bodies, to hear their comments and criticisms. Grinspun added that as a consequence of the introduction of the Austral plan in June 1986 all changes were delayed in order to adjust to the new reality. The National Development Plan was completed in November, 1986.

CAPUTO TO CONTADORA GROUP MEETING IN CARACAS

PY211255 Buenos Aires TELAM in Spanish 1203 GMT 21 Aug 87

[Text] Buenos Aires, 21 Aug (TELAM) -- Foreign Minister Dante Caputo departed today at 0700 from the Metropolitan Airport. He is traveling to Caracas, Venezuela, where he will meet with his colleagues of the Contadora Group and the Contadora Support Group to evaluate the Central American crisis, among other things.

The meeting will be held on 22 and 23 August, and the Colombian, Mexican, Panamanean, Venezuelan (Contadora), Brazilian, Argentine, Peruvian, and Uruguayan [Support Group] foreign ministers will study requests that have been submitted to them within the context of the procedures to establish a firm and lasting peace in Central America, as was agreed upon during the meeting that was held on 9 August in Brazil.

PINOCHET DISCUSSES EVENTS LEADING TO 1973 COUP

PY241608 Santiago Domestic Service in Spanish 1030 GMT 24 Aug 87

[Report on speech by President Augusto Pinochet at the 23 August commemoration activities celebrating his 14th anniversary as Army commander in chief, in Santiago]

[Text] [Begin Pinochet recording] I receive your greetings and your homage with the honest conviction that it is addressed to the Chilean Armed Forces in the person of their commander in chief, a designation I received from destiny at a very decisive and tragic moment in our country's history. The feeling of anguish that pervaded society at the uncertainty about the forces needed to save the country in those fateful days of 1973 is still fresh in my memory.

A revolutionary conglomerate of forces, where organized militas predominated, were seeking, with government support, to install the tyranny of a Marxist-Leninist and Stalinist system on our soil. Our young men and women made heroic efforts to face the wicked and unruly gangs. They brought about changes that liberated our country from that deplorable disgrace, and recovered our freedoms.

The situation was so serious that it almost pushed the country to the brink of civil war. Foreign guerrillas, mainly Cubans, were instructing in paramilitary and [word indistinct] subversive tactics to [words indistinct] of people that entered our country carrying a gigantic arsenal to be used against whoever dared oppose their ill-fated wishes. [end recording]

Pinochet added that the democratic institutions established by the 1925 Constitution were overpowered by the force of this revolutionary offensive, and their limited authority was trampled on.

[Begin recording] The government appointed me as commander of the Chilean Army in the face of this situation. These were trying times. We had to make a decision that was not easy and had to be well thought out. We had to prepare and drill and consider all the ramifications of our actions.

Our interest was the fatherland, the freedom of its children, national sovereignty, and peace among brothers, because [words indistinct] have deep love for peace. I did not rest a single minute after 23 August 1973 because of the events that followed. I called on every unit and garrison because I knew the moral standing of my men rested there. [Words indistinct] the silent love from the large majorities. Early in the morning on 11 September, the fatherland began to rescue its freedoms, its identity, and its right to a future.

We have already covered an important stretch of our [words indistinct]. We are men of arms but we have encountered the valuable cooperation of civilians who have worked with us in the country's reconstruction. The basis of this government is strengthened by this civic-military unity, by the iron-strong unity of the institutions in charge of national defense, and the continuous support of the common working men and women.

Our [word indistinct] was a reality from that moment. Fourteen years have passed since I took command of the Armed Forces. Today I reaffirm my unwavering faith in the loyalty of my men and I say I am proud to belong to a Chilean Army that has always fulfilled its duty no matter how painful it might have been. [end recording]

Views Armed Forces Support

PA250115 Santiago Television Nacional Network in Spanish 0102 GMT 24 Aug 87

[Speech by President General Augusto Pinochet at a luncheon held at Santiago Military School on 23 August -- recorded]

[Text] My inauguration as commander in chief of the Army on 23 August 1973 brings many memories, feelings, and thoughts to us.

From that time, I have received demonstrations of support and affection from the national authorities, other national defense institutions, citizens in general, and especially from the Army. That support increases the intensity of those feelings, the vividness of the memories, and the profundity of our thoughts.

Emotion, gratitude, optimism, and responsibility are the sensations that come to my mind and heart strongly at this moment. Those sensations are mixed with feelings of love for my fatherland, loyalty to Chile, and commitment to its freedom, which we have always fulfilled.

Today we attended a ceremony of profound institutional significance. I viewed the glorious combat banners, the brave Army units, the representatives of the institutional departments, and the numerous participating delegations with great pleasure. Today I saw the precious symbolism for our sacred and rich traditions and I was thrilled with that sublimity as were you all. If the physical presence of the Army at this site moved me, I was even more thrilled by the spiritual presence of my institution and the sister institutions around the superior values of the fatherland. That particular experience leads me to try humbly to share with you the true meaning I give this date. First, today we celebrate the validity of principles and values which have enhanced our institution throughout history. This includes its unity, discipline, constant respect for the Army's hierarchy, and loyalty to the Army leaders. Today we also celebrate an important unity of ideals, which originated in our institution and is shared by the Army commander and all members of this institution. That spiritual unity made possible the establishment of a mutual exchange of strength, which increased our capacity to assume the responsibilities imposed on us by circumstances.

I would be wrong to name this date the day of the initiation of a heroic deed. The liberation of the subjugated fatherland began earlier when we began the fight against the Marxist aggression. This awakened the Chilean people's aspiration to struggle for their salvation.

So many times I meditated in the solitude of night about the importance of the events and the extreme danger the nation faced. I then interpreted the feelings of the Chilean people and the general opinion of the Chilean Army along with that of my colleagues of the Chilean Navy, Air Force, and Carabineros.

We have mentioned the time of the vigil and the inevitable solitude that surrounds a commander before great decisions are made. However, I can say at that time of great responsibilities, I clearly felt the spiritual presence of this Army, which supported me in adopting historical decisions. I have felt that invisible but tangible support thousands of times since then. It encourages me to firmly fulfill our duty to Chile and the Chileans.

Today we are not celebrating my inauguration as Army commander in chief; I think it only fair to celebrate the Army members' support for and loyalty to the sublime cause of the institution For that very reason, with the soldier's humility I receive and accept the homage that -- addressed to me -- should be taken as an act of institutional joy because of the validity of the values that have made the Chilean Army invincible. Those values are the same ones that characterize all the country's armed public forces.

Dear friends, this is a suitable occasion to recall past events and to direct our memories to those times so we can examine the path we have traversed with pleasure and pride, confirming that our efforts have not been in vain.

We express our recognition of those who in difficult times dedicated all their efforts to the recovery of the fatherland. At that time the armed and public forces were forced to assume the historical responsibility of restoring the institution that had deteriorated. In addition, the reciprocal flow of energy between the Army commander in chief and his subordinates, between the leaders of the Armed Forces and the Chilean people, created a deep interaction of wills that became the source of the overwhelming strength with which we initiated the gigantic task of rebuilding Chile.

The task has not been an easy one but the work we have done is now bearing fruit. When we look at today's Chile it is difficult to recall yesterday's Chile. Each day our development and institutional advances blur the vision of a static, socialized, and limited Chile.

Only in the alienated minds of those who traffic in power is yesterday's Chile recalled and, what is worse, they continue to use their endless imprudence in the pursuit of those conditions, but rendering a twisted interpretation of the past and its ill-fated impact on the country's political life. With incredible gall and making use of the traditional bad memory of Chileans, these gentlemen say they are the champions of truth, democracy, justice, liberty, and human rights. All this, and at the same time they bring weapons into the country; make attempts against the life of the president; and organize, finance, and promote terrorism and violence. They travel abroad to obtain money and continue their attempts to acquire power once again.

It is very upsetting to notice today that many who should react against this movement, plot with their own plunderers in the useless [as heard] hope of being wiser than the Marxists. This attitude is indicative of the country's political vulnerability; a political vulnerability that is most relevant as the nation is on the threshold of a very important institutional phase. Our efforts and sacrifices will not yield the expected results if the Chileans fail to understand what is at stake.

An unavoidable responsibility arises. The task has not ended and our goal is to generate the conditions that ensure the achievement of freedom. These conditions can only be attained by commitment; by placing all our will and energy to obtain our legitimate aspirations. The commitment is immense. It is an obligation not only with the men and women who have fallen in struggle, or with Chileans who justly desire welfare and progress for the future, but also with society as a whole and with all those fellow countrymen for the future, but also with society as a whole and with all those fellow countrymen who in one way or another have contributed to the reconstruction of Chile. The commitment is a total one, with the entire country, and this must be understood and transmitted to all people of this land.

We must always be aware that traps, dangers, and obstacles are present because our enemies do not rest. They are eager for power to transform the Chile of today and of the future into a Chile of the past. Only in this manner will they be able to do as they like, taking advantage of political privileges, demagoguery, discriminatory bureaucracy, sectarian high-handedness, and the constant control of future development to dominate the will of Chileans in all respects.

This, gentlemen, is our grave responsibility. As representatives of armed and public order we must continue to be the spinal cord and motor of this noble cause called Chile. The example of our actions, the clarity of our goals, the seriousness of our purposes, the efficiency of our policies, and the certainty that we are constructing a society having more development, justice, and freedom, will be the motivation that will inspire the citizens to reaffirm their trust in the institutional model we have built together. However, to transmit this message to our countrymen, we have to renew in ourselves the spirit of that 11 September, when everything had to be made possible because Chile needed it. Today Chile needs that spirit again. The country requires that its children think about the future and avoid making the same mistakes.

Ladies and gentlemen: As the moment for big decisions draws closer, we have been witnesses of this touching and significant ceremony. Many prominent citizens have been here together with the Army to witness a solemn act of unity, faith, and trust in the institution. I thank you very much for your presence. This has been evidence of civilian-military unity; a perfect framework to enable the optimum functioning of citizens who are willing to make the fatherland great.

On this occasion I also want to express my special gratitude to the Chilean Army for its positive service to the fatherland and the fatherland's children. The soldiers have given evidence of their devotion as they have carried out their sacred duties with prolonged efforts from Arica to the Antarctic. I am proud to be their leader and I urge them to continue perfecting the virtues that make us brothers of other armed and public institutions, as this is the only way we can ensure a definite victory.

On this occasion I also address my gratitude to the wives and relatives of these soldiers; they have known how to share the devotion, hardships, and limitations of our tasks and have given us the support and strength we needed every step of the way.

Finally, I want to express my gratitude to the Army's deputy commander for this dedication in maintaining a strong, disciplined, and flexible institution. This represents the existent spiritual unity between the commander in chief and each and every one of the country's soldiers.

ADMIRAL MERINO ON CURRENT POLITICAL SITUATION

PY241608 Santiago Domestic Service in Spanish 1030 GMT 24 Aug 87

[Speech by Admiral Jose Toribio Merino, member of the Government Junta, at the 13 August commemoration activities celebrating the 14th anniversary of General Augusto Pinochet as Army commander in chief in Santiago -- recorded]

[Text] We [members of the Government Junta] are here to pass on to you our respects on this anniversary of your designation as Army commander.

Your appointment was a very important event in the country's history because of what we were going through in those days. There was a need then to find the people with the capacity to assume the responsibility and to face the country's serious problems head on. You were the easy bridge that helped the Armed Forces to iron out their differences and unite. At that time, under your direction as chief of the General Staff [words indistinct]

We have been here many years, much longer than law permits. We have done so not because we enjoy it, or because we want power, or because we seek glory or money. We have done it simply because it was our duty to do this job. We are fulfilling our duty and when we finish with it we will tell the country we have accomplished what we set out to do, what we have sworn we would do. Our faces will then disappear from the televsion sets. We would be happier because we would have them completely fulfilled our duty.

We received our uniforms clean and pure, and we expect to return them just as pure, without stains tarnishing them, and with the clear conscience of having fulfilled our duty. [end recording]

OPPOSITION VIEWS PLATFORM, SEEKS CANDIDATE

PY201818 Madrid EFE in Spanish 1606 GMT 19 Aug 87

[Text] Santiago, 19 Aug (EFE) -- The leaders of the Chilean multipartite "Democratic Alliance" [AD] organization intend to draw up a platform and nominate a presidential candidate before the end of 1987.

This announcement was made by Rene Abeluik, a social democratic leader who is heading a committee to study the opposition's draft platform.

The different drafts, which have been separately drawn up by the parties of the AD, have been given to experts in different fields in order to draw up a single draft.

The AD includes popular socialists, social democrats, radicals, liberals, republicans, and Christian democrats.

The goal of the opposition leaders is to nominate a candidate who will fulfill the requirements of the parties promoting the campaign for free elections. The party leaders' main goal, however, is to amend the Constitution.

According to the current Constitution, established by General Augusto Pinochet in 1981, the Armed Forces will propose to the citizenry a presidential candidate for the 1987-97 term. If that candidate is rejected by a majority in the plebiscite, the Constitution calls for free elections in 1990.

The opposition seeks to amend the Constitution, transforming the plebiscite into free elections. However, several government officials have confirmed that the Constitution will not be changed.

The Episcopal Conference warned about this plebiscite early this week, stating that the plebiscite will be morally legitimate only if there is freedom of the press, the registration of most Chilean, and a correct and impartial vote counting process.

This is the main bone of contention between the military regime and the opposition. The opposition is asking for a reform that will ensure free and direct elections, the installations of a congress with constitutional rights, and the abrogation of other resolutions that impair full human rights. Even if the Constitution is not amended and a single candidate is finally nominated for the plebiscite by the opposition parties, the nomination of a candidate and the drawing up of a platform will make it impossible for the military regime to describe the plebiscite as a choice between "order and chaos."

One of the main points in the strategy of the opposition is to register as many voters as possible. This does not rule out the possibility that its campaign for free elections will eventually become a call for a vote of "no" in the plebiscite.

According to opposition leaders, if more than 6 million register, the "no" vote would win the plebiscite and would also make the Armed Forces carefully ponder the appropriateness of nominating a military candidate, either Gen Pinochet or any other military man, thus exposing the Armed Forces to rejection by the electorate. Bearing in mind that the plebiscite could be called for September 1988, the registries should be closed in mid-1988.

Thus far, 1.5 million Chileans have registered. The opposition's goal is to have 5 million people registered before the end of 1987.

PAPER CITES RADIO MOSCOW ON PCCH FUND RAISING

PY190026 Santiago LA TERCERA DE LA HORA in Spanish 8 Aug 87 p 7

[Text] Through Radio Moscow, the Chilean Communist Party [PCCh] has addressed the Chilean communists living abroad to inform them about the 1987 financial campaign, and to report that the campaign yielded $130,000 in Sweden.

According to the radio, "the coordinator of the campaign in Sweden, after pointing out that the above amount far exceeds the pre-established target of increasing by 20 percent the amount raised the previous year, called upon the party as a whole to try to do the same, that is, to increase the contributions by 35.69 percent."

The radio reported that "the PCCh Central Committee supports this call," adding that "at the beginning, the objective of the campaign was to raise at least $500,000. Later, with the support and cooperation of most coordinators, a decision was made to try and surpass the amount raised in 1986 by 20 percent." The radio added that "in several countries, this percentage was established in local currency because of the devaluation of the dollar. The seventh campaign yielded $491,080.48."

"Consequently, this is a great challenge. This effort reveals that the party members living abroad are keenly aware of the need to support the antidictatorship struggle in Chile, as was stated in a declaration issued by the party political commission in June. The prospects for a change in Chile basically rely on the strong thrust given to the mobilization of the masses, and on the frequent combative actions of the workers and the people."

The radio recalled that "the political commission declaration stressed that only with the mobilization of millions of Chileans, and through the promotion of social unrest, civil disobedience, and national rebellion, will it be possible to pave the way for democracy and create the conditions for truly free elections."

COMMISSION CONFIRMS EXTREMIST COMMITTED SUICIDE

PY212223 Santiago Radio Chilena Network in Spanish 1700 GMT 21 Aug 87

[Excerpt] The lawyers of the Human Rights Commission of Valparaiso today confirmed that political prisoner Rigoberto Pizzarro Pena, 31 years of age, comitted suicide during a nervous breakdown. They have thus discarded the possibility of homicide.

However, a spokesman of the commission indicated that Pizzarro was subject to harassment and pressure after the escape of Sergio Bushmann and the other three political prisoners, and that his breakdown was caused by the harassment. [passage omitted]

Maria de la Luz Salas who spoke on behalf of Pizzarro's lawyer said the confirmation of the suicide was made by the political prisoners themselves who yesterday were taken to the Fifth Criminal Court to testify. The prisoners reported that Pizzarro was very tense during breakfast yesterday morning and suddenly left the table for the bathroom. Then a scream was heard and he was found kneeling and bleeding. He died a few minutes later on the way to the hospital.

The investigation of this case was yesterday entrusted to Judge (Margarita Snovikov) of the Appellate Court of Valparaiso on orders from the Justice Ministry. [passage omitted]

SPECIAL JUDGE DESIGNATED IN JAIL ESCAPE CASE

PY201659 Madrid EFE in Spanish 0419 GMT 19 Aug 87

[Text] Santiago, 18 Aug (EFE) -- Chilean courts today designated a special judge to conduct an official inquiry into the escape of four prisoners, two of whom are accused of having participated in the foiled attack on Chilean President General Augusto Pinochet. The Court of Appeals designated Judge Margarita Osnovikof to conduct the inquiry.

The four prisoners fled from Valparaiso Prison. Valparaiso is the country's most important seaport, 119 km northeast of Santiago.

Hernan Novoa, director of the Chilean National Penitentiary Police, has requested the designation of a special judge, "considering the seriousness of the incident and the fact that it has alarmed the citizens."

The four prisoners who fled the prison have been identified as Sergio Buschmann Silva, Luis Monuz Ugarte, Marcial Moraga Contreras, and Gabriel Espinoza Silva.

Eugenio Guzman, the judge who has been handling the case so far, told the local news media that it is not necessary to assign a special judge to this case, "since, as far as I know, there are no complexities that would require a special judge to deal exclusively with this particular case."

COLORADO PARTY BOARD ISSUES COMMUNIQUE

PY230000 Asuncion PATRIA in Spanish 22 Aug 87 p 1

[Text] The honorable executive board of the Colorado Party addresses all party members throughout the country to congratulate them for the very high civic fervor demonstrated during the internal election process in which three tickets competed for the free and sovereign right to become the party's executive board for the 1987-90 period.

This internal election process has demonstrated that internal democracy exists, because supporters of the three tickets moved freely throughout the country without incident, with the exception of the normal and fleeting demonstrations of heated enthusiasm of the supporters of the three tickets.

The sovereign convention was held on the day and at the hour called for in accordance with the pertinent resolution issued by the previous executive board. No matter how much speculation there was concerning the events prior to and during the convention, what is definitely true, is that the day before the convention, when all the credentials has been received, the respective commission, comprised of an equal number of members from each ticket, verified that 853 delegates had submitted their credentials. This count was unanimously approved and the public was informed.

The large majority of delegates were present the morning of the convention in the open hall of the Colorado Party building. A large number of people were also in the corridors and the terrace of the convention hall. Twenty-seven of the 35 executive board members took their seats on the main stage. President Juan Ramon Chaves, who attended the convention from the early morning hours, lead the board members.

At this time, everyone expected the convention to develop without incident. However, when the convention was about to begin, small groups of people without the appropriate identification or convention credentials tried to force their way into the convention to participate. This incident occurred in front of the Colorado Party building at the corner of 25 de Mayo and Tacuary Streets. Fortunately, the violence was minimal and these groups left.

Inside the convention hall everything was completely in order. The hall was full of delegates ready for the convention to begin. Shortly after the hour the convention was supposed to begin, 0800, it was noted that Juan Ramon Chaves was not in his seat at the front of the stage. Two delegates went looking for him to remind him that it was time for the convention to begin, but they could not find him.

When the delegates confirmed that Chaves had left the premises, Executive Board Vice President Sabino Augusto Montanaro addressed the convention and reported the situation. He said he felt that for ethical reasons he could not preside over the convention, as was his right according to Article 14 of the Executive Board's charter, because he was heading one of the tickets competing for the direction of the Executive Board, and he did not want a conflict of interests.

In view of this situation, two convention delegates suggested that Encarnacion Delegate Ramon Enrique Reverchon be designated provisional president of the sovereign convention. Revershon accepted the designation and, in turn, designated two secretaries. The list of delegates was immediately called presence of 655 certified delegates was noted.

Since the 655 delegates represented 80 percent of the total number of delegates, thereby establishing a sufficient quorum, the president declared the convention open for deliberations.

Regardless of the absence of Dr Juan Ramon Chaves, who should have read the financial statement and given an accounting of his presidency, the sovereign convention, taking into account the fact that the financial statement had been distributed in printed leaflets, decided to approve it unanimously. Regarding the rendering of account, it was done as in previous occasions, authorizing the convention president to designate a commission to review the account and report to the new party leadership.

The convention then considered the main issue of the designation of the 35 members and 16 alternate members that would make up the new party governing board for the 1987-90 period. Of the three factions announced during the electoral campaign, only two were present: The one headed by the four-men ticket Sabino Augusto Montanaro, Adan Godoy Jimenez, Mario Abdo Benitz, and Justo Eugenio Jacquet, and the one headed by Leandro Prieto Yegros. Following the discussion of the voting system, it was unanimously decided that the voting should be secret. Thus, 12 voting booths were set up. The ballot boxes were controlled by a president, a secretary, and a supervisor proposed by those responsible for the competing factions.

The voting was done without incident and 655 out of the 853 accredited delegates actually voted. The Credentials Committee previously checked all credentials. Some of them were voided and some mistakes were corrected before the committee accepted the final accreditation of the 655 delegates. The tally of the voting showed that 574 delegates had voted for the Sabino Augusto Montanaro ticket and 81 delegates had voted for the Leandro Prieto Yegros ticket. A total of 198 delegates were absent.

It is important to emphasize that both tickets proposed President Alfredo Stroessner as honorary president. The president's name was warmly cheered throughout the convention.

Once the tally ended and the victory of the ticket headed by Sabino Augusto Montanaro, Adan Godoy Jimenez, Mario Abdo Benitez, and Eugenio Jacquet was confirmed, members and alternate members of the victorious ticket were called to the stage to receive the enthusiastic standing applause of the sovereign convention.

These were the most important issues of the recent party convention. On 3 August, the members of the new governing board met in the Sessions Hall of the Colorado Party Building to elect the new Party Exectuve Board. The event was honored by the presence of our honorary president, his excellency, President of the Republic, Army Gen Alfredo Stroessner, and a numerous and select number of party members, Congressmen, high-ranking government officials and military officers, presidents of Colorado Party precincts and other leaders of grassroots and party organizations.

The members of the Montanaro ticket were thus elected to the Executive Board in a fraternal and friendly environment, following the wishes of the Colorado people as demonstrated in the sovereign convention. Sabino Augusto Montanaro was elected president, Adan Godoy Gimenez was elected 1st vice president, Mario Abdo Benitez 2d vice president, and Eugenio Jacquet 3d vice president. Martin Chiola, Ramon Enrique Reverchon, and Carlos A. Ortiz Ramirez were designated political secretaries, General Marcial Samaniego was designated treasurer, and Silvio Meza Britez assistant treasurer.

The most encouraging thing for the new governing board was that a few days following the convention, all the strains and frictions of the electoral campaign disappeared.

In a show of great democratic spirit, all party members demonstrated unity and convergence around the new governing board. This as a demonstration of how to better serve the Colorado Party and the government of President Stroessner, whose national and party leadership calls on all of us to work together for peace, harmony, and national greatness.

The honorable governing board exhorts all party members to continue working with loyalty and patriotism because that is the best guarantee for the maintenance of representative democracy in Paraguay. In the year of the 100th anniversary of the foundation of the Colorado Party, our commitment must be stronger, not only because it is our duty to honor the historic legacy of our glorious political association, but because this is a year of preparation for the general elections of February 1988. Colorado people from all corners of the country have already proclaimed the nomination of President Stoessner for another constitutional term at the head of the government. A special party convention will be convened shortly to proclaim his candidacy and to decide on the list of candidate for deputies and senators for the 1988-93 period. This will be an occasion to confirm the party unity as a patriotic obligation to the nation, to better respond to the people's aspirations, and to continue cooperating with President Stroessner's great government work.

The honorable Colorado Party governing board reports to all party members what happened before, during, and after the recent party convention which elected the new party authorities, and urges all party members to remain united and to participate with enthusiasm in the ceremonies in commemoration of the 100th anniversary of the foundation of the Republican National Association, Colorado Party. The Governing Board also calls on all its members to participate in next February's general elections to elect our illustrious President Stroessner for a new presidential term by a large majority, and to vote the Colorado Party ticket into Congress for the period 1988-93.

The honorable governing board, therefore, issues a fraternal salute to all Colorado Party members and thanks the Colorado people for the multiple demonstrations of support, solidarity and sympathy. It furthermore expresses the hope that all of us together, with unwavering faith and optimism, will continue to work for the greatness and happiness of our dear fatherland, following the exemplary leadership of President Stroessner.

Asuncion, 21 August 1987

President:	Sabino Augusto Montanaro
Vice Presidents:	Adan Godoy Jimenez, Mario Abdo Benitez, Jose Eugenio Jacquet
Secretaries:	Martin Chiola, Ramon Enrique Riverchon, Carlos A. Ortiz Ramirez
Treasurer:	Gen Marcial Samaniego (R)
Assistant Treasurer:	Silvio Meza Britez

Members: Gen Cesar Barrientos, Ezequiel Gonzalez Alsina, Saul Gonzalez, Bacon Duarte Prado, Luis Martinez Miltos, Alejandro Caceres Almada, Cesar Romeo Acosta, Agustina Miranda Gonzalez, Pastor Milciades Coronel, Oscar Zacarias, Luis A. Peralta Baez, Antonio Vera Valenzano, Miguel A. Lopez Gimenez, Hiran Delgado Von Leppel, Maj Gen Juan Antonio Caceres (R), Hernando Bertoni, Delfin Ugarte Centurion, Manuel Modesto Esquivel, Francisca Delgado de Martinez, Raul Ernesto Villalba, Jose Martin Selliti, Ubaldo Centurion Morinigo, Juan Ramirez Garcia, Juan Eudes Pereira, Ramon Aquino, Juan Pablo Romero. Alternate Members: Roberto Velazquez Escobar, Aurelio Paredes, Francisco Solano Benitez, Nicasio Ortellado, Vicente Bataglia, Cesar Palacios, Nicanor Alfredo Molinas, Genaro Espinola Farina, Mario Pastor Almada, Juan M. Cameron Montanaro, Dario Filartiga, Luis A. Servin Blaires, Julian Chaparro Abente, Eligio Tomas Franco, Modesto Acosta Perez, Antonio Colman Rodriguez.

SANTIAGO RADIO REPORTS COUP AGAINST GARCIA

PY241917 Santiago Radio Chilena Network in Spanish 1700 GMT 24 Aug 87

[Text] From the international newsroom, Carlos Solar has some news. Good afternoon, Carlos. Good Afternoon, Jaime.

It is reported from Lima that a military coup and the ouster of Alan Garcia Perez' government have suddenly been announced by a radio station in Chiclayo, 750 km north of Santiago. Journalist and political circles in Lima said this report is a hoax or bad joke. The announcement was made by Radio Delcar of Chiclayo, which also reported that the ousted President Alan Garcia was enroute to Mexico.

Recovering from the shock, hundreds of people tried to get in touch with the radio station, and several departmental and national officials did the same in an attempt to find out the sources of this news report. At the same time, police officials of Chiclayo have ordered a thorough investigation into this report in order to establish who and why this report was aired by the station.

We repeat that in the Peruvian capital, journalism and political circles said this announcement of the ouster of President Alan Garcia Perez is nothing but a hoax or bad joke. That's all.

PRESIDENT GARCIA'S 9 AUG CHIMBOTE ADDRESS

PA132210 Lima Television Peruana in Spanish 0100 GMT 10 Aug 87

[Speech by President Alan Garcia on 9 August at the northern Port of Chimbote -- recorded]

[Excerpts] [Passage omitted] Approximately 2 years ago, I told you we wanted a nationalistic government, one that revitalized Peruvian production capacity without sacrificing our resources to the foreign debt. I told you our people, especially our needy people, would always be placed before foreign banks. We fulfilled that commitment. We are the only country that -- even though we are poor, small, and humble -- has raised in the last 2 years a flag of national rebellion before the world and to the amazement of powerful countries that though we were incapable of becoming independent from their rule.

We told the world's major banks and the IMF that we were becoming independent from the dominion and were extricating ourselves from our commitments to them. Today, the Peruvian people -- you and your children -- have in the Peruvian Central Reserve Bank more dollars than you ever had before to support Peru's future development. Those dollars and reserves will serve to buy food, medicine, and industrial machinery for new industries. We have fulfilled our nationalistic goal by reserving for Peru what we spent before on the foreign debt. We also have attained our nationalist goal of strengthening the state. [passage omitted]

Do you know what I felt when opening factories, or delivering resources for [word indistinct], or witnessing how Peru is gradually resolving its problems? I felt something very profound and interesting. I felt I am not betraying the expectations of the needy, I am not forgetting what I said during my presidential campaign; and I felt the APRA [American Popular Revolutionary Alliance] principle must be clarified. What APRA promised, APRA fulfilled in benefit of the needy, the vast majorities, and the people in general. [applause]

That is nationalism. Nationalism is building a free Peru, preventing foreign banks from governing us, and preventing them from requesting payment for the debt while telling us we should impoverish our country and stop producing to pay off the debt.

Nationalism is giving the state powerful, productive and nonbureaucratic enterprises to protect Peruvian people. I also said we were going to build a democratic government and economy. I became president of Peru at the time of the worst economic crisis in Peruvian history. I do not want to blame former governments, as many others do. We are all to be blamed for our problems, but it is good to remember how our government's democratic, nationalistic, and economic development halted the country's spiraling fall into the abyss of the crisis.

We had an inflation rate exceeding 200 percent. it was reduced to 65 percent, and then temporarily increased to 80 percent. Since then, it has not continued declining as fast as it did at first. At that time, production had decreased and the Peruvian population had increased -- I have always said the poorer we are, the more we love each other. We were more and more Peruvians, but we produced less.

The Peruvian GDP, which is the total Peruvian production, was less and less very year. Only in 1986 did we succeed in making Peru grow more than it did in the last 25 years. The proof of this is Siderperu [Peruvian metal industry], which cannot meet its clients' demands.

Peru has been reactivated on one principle: We need to grow, to produce more food, clothing, and metal goods to benefit the country's large population. Therefore, our economy is very different from those of other countries. We claim people have to consume more for Peru to grow. Wages must be increased little by little for Peru to grow. We would like to increase wages all at once, but that is impossible because it would be like jumping out of a plane without a parachute. We have to increase wages deliberately, even if we become impatient. To increase wages little by little means people will gradually be able to consume more. Consumption reactivates economy and production. Peru will only produce more when its people consume more.

Others used to say Peru would only produce more when it received more foreign loans. They said that to obtain foreign loans Peru had to pay off the foreign debt. The result was always the same. We paid more than we received through the new loans. Therefore, we were increasingly poor.

Our nationalist and populist economy means minimum wages must continue to increase to allow the needy and the general populace to buy more products. Only by increasing wages will we increase production. Peru will not increase its production if it does not have people who consume. That is the democratic sense of the new economy.

We have grown thanks to that new economy and to our refusal to pay off the foreign debt by sacrificing you before the foreign banks. Little by little we have halted the price increase, little by little more sectors of society join Peru's democratic life. [passage omitted]

We need solid agricultural and industrial sectors that will go hand in hand. [applause] Many have criticized us for meeting directly with shantytown dwellers, for trying to speak their language, and for delivering 300 million [currency not specified] to a certain community for people to build health centers, irrigation channels, and to repair roads. Many have criticized us for that.

Many have also criticized us for creating temporary jobs throughout the country with the Peruvian program for temporary job support. I know -- I am the first opponent of my own regime -- that sometimes there are many mistakes and excesses, but the basic issue is to ask ourselves whether it is a crime to create jobs and salaries for the needy, for abandoned mothers, and for unemployed people. We have created hundreds of thousands of 3- to 6-month jobs. Something is better than nothing. It is worse to live on theories without taking any action. We had to help peasants and the unemployed. We had to increase minimum wages, to create 78 small hospitals for those not covered by the social security system, to improve roads in the most backward towns, and to give a hand to those who had been forgotten.

All that means the increase in Peruvians' demand, consumption, and purchasing power. All that means Peru can produce more thanks to that increasing consumption. That is the only healthy way to grow. Peru needs the poor to increasingly consume so industries will produce more. Based on increasing production and consumption, we will more forward toward development and justice. [applause]

So, dear companeros, I could be satisfied by saying: We have done a few good things. However, I am not satisfied. I want you -- iron and steelworkers, fishermen, farmers, brothers, in poor districts, mothers of the Glass of Milk program and the Mothers' Club -- to listen to me. I cannot be happy with this because I cannot please myself by saying Peru is growing. I ask myself: Isn't it those who have more are the ones that are growing? Isn't it that as the country grows, the same sectors grow? Isn't it that inequality continues? Isn't it that the poor can have a pair of shoes, while the rich can have five houses or two more factories? Therefore, how can they ask me not to fight for justice? How can they expect me to be satisfied with lowering prices as compared to prices under the previous government, or with a growth in the Peruvian economy? I am a politician, I am not a manager hired to resolve a crisis. I am a politician. A manager is satisfied with growth, [applause] a manager is hired by an industrial factory to increase production. However, a politician is elected to change structures, transform relations between rich and poor, but an end to inequalities between the most powerful and the forgotten and transform the relations within the system. I have not been elected to govern following the traditional system. You have put me here by force to change this system and deliver it to the people. [applause]

People of Chimbote, I have a clear concept of the three main aspects of our policy: first, anti-imperialism, in dealing with our foreign debt; second, national development with the new economic model, which may face problems, but will pull through; and, third, social justice. Social justice is what moves my heart, guides my political life, and makes me a caudillo of [words indistinct]. [applause]

Therefore, I have said it is also the government's duty to guarantee the people's right to forge their own destiny; to make workers, the middle class, professionals, small and medium property owners, industrialists, peasants -- all of our people, 95 of every 100 Peruvians -- the owners of Peru, to make the majorities the owners of Peru, because in Peru's history a small group has always ruled on behalf of the large majorities. Governments have silently accommodated themselves to serve the interests of that very small group.

It used to be the white and bearded Spanish conquistadores who did so much harm to us. Then the landowners took over independent Peru, creating large estates. At that time our ancestors and relatives were the slaves who worked the land, the communards, the Indian servants. At the beginning of this century the large landowners of cotton and sugarcane plantations were the ones who ruled Peru. If they wanted more income, they devalued the currency. If a government did not give them possibilities for increasing their wealth, that government would be overthrown with a coup d'etat. The large landowners ruled behind the backs of the large majorities.

However, times have changed, and with the agrarian reform and the new characteristics of the international system, the rich landowners are no longer the owners of Peru. They are the bank owners, the most powerful among the most powerful. They have what resembles a large funnel, into which we all deposit our savings, which they use to sive you credit. They use those deposits to finance their own enterprises, or to manipulate anyone who asks them for credit. When a middle-class man goes to a bank to request credit to begin a small enterprise, he is told: Put your industry, your house, your life, your destiny up as collateral; and we hope your business venture will fail so we can take all those things away from you. [applause]

So, companeros of Chimbote, we have to see where economic power is centered, where the great powers are. On 28 July we said the great power lies in credit, because credit through banks, large banks, is like an octopus that takes advantage of all the circumstances. A bank is like the sun, and large enterprises circle around it like planets. Through it they gradually take over other enterprises. I could show you on a blackboard how a bank operates, how its owners own large enterprises that gravitate around the bank, and how those enterprises also own other enterprises, and so on. I could give you a long list of small, medium, and large enterprises controlled by the banks. I must say this is wrong economically, but it is also socially immoral, because in a country where there is so much poverty; where so many children are still barefoot; where so many families do not have the know how to earn a living and have nothing to eat; where there are no medicines, because some make a profit by selling them at very high prices; in a country where there is so much pain and suffering it is not acceptable, and, furthermore, it is an insult, that a few should have too much, as inequality is against justice.

That is why I say I cannot be satisfied with the usual works, improvements, or expansions. I cannot be satisfied with resolving problems through hospitals or by making Peru's production grow, because Peru would be growing without any changes. We want Peru to grow with transformations. We need Peru to grow with increasing equality among each other. You, mother, do not want your son to be born and grow only to work for an important man who also has a son who will soon own his father's factory and will pay your son a miserable wage. So that is what I am here for, and that is what the APRA is here for, to say we are [words indistinct]. [applause, shouts]

That is why on 18 July I went to the National Congress with a bill in my hands. That bill says... [changes thought] is a bill for the nationalization of the financial and banking system. It means that if the bill I presented is approved, banks will no longer belong to large private groups that only look after themselves, but will belong to all the people; they will be at the people's service, for their well-being and for the development of justice. [applause, shouts]

As the young people say, revolution is not only to make the country grow. Revolution is not only to become independent from abroad. That is an anti-imperialist revolution. However, we must also carry out a domestic revolution. As the young people say, revolution is to speak on behalf of my people, this huge brown majority, mestizo like me. It is to speak on behalf of my people and stand up in front of the powerful and tell them: The empire of money is over, the insult of the big wealth is over. We need an aware people with a great destiny who will write their real history. [applause]

That is why I have proposed the nationalization of the financial system because four big economic groups, each composed of big companies, are the owners of the banks. They use the banks like a funnel and they use the power of the banks like an octopus to control the economy. In addition -- and this is the most important aspect -- they use the banks to maintain the big gaps among the people. In this way, a greater reactivation in Peru means more power for them. I have said this cannot be, because in our country where there is so much suffering and crisis, where violence, hostility and hatred have emerged, we must make a change that will make all of us more equal.

That is why I have said it is not a matter of just lending a hand to the poor who are at the bottom but of taking action against the rich who are on the top so the poor will feel the government is with them and their problems can be overcome. [applause] Many have become frightened when I said this. Naturally, the four powerful groups defend themselves on television. The four powerful groups align themselves, they form coalitions with the big owners to defend themselves. Then they say this is an attack on private property, thus trying to win the support of the small owners, the medium-sized industrialists, and the professionals. They say this is an attack on property, and I ask: What property? Because the majority of the Peruvian people do not have property. What property are they talking about? [applause]

They say this will lead us to the nationalization of everything, that no one can have anything because the state will end up with everything. That is not true. No government has defended and helped small, medium, or big investors as much as ours. In 1985 there were thousands of bankrupt companies because they owed dollars, they paid 400 percent interest rates, they did not have buyers, and there was much poverty. We lowered the interest rates from 400 to 40 percent. How many companies were saved from bankruptcy? How many companies were saved from bankruptcy because they now have people buying their products? Can someone say we are statists? What we want is for property to exist but that it be productive, serve the majority, and be national; and not send profits abroad in dollars to Miami, Paris, or New York. This is where the Peruvian people need the investment of those who no longer [words indistinct] for Peru. [applause]

The bankers also say this is totalitarianism and there is a lack of freedom. That is a very covenient way of understanding freedom. What freedom do the unemployed have? What freedom does the resident of the poor districts of Chimbote have? What freedom from misery does the unemployed mother have? What freedom are we talking about? The freedom to accumulate everything? The freedom to continue to have everything, to continue to pressure the governments, to force the politicians to serve the interests of a few? If that is your freedom, my freedom is another. It is freedom for misery. It is the freedom of justice. [applause] It is the freedom of all the Peruvian people. [applause]

Some say the APRA party wants to take over the banks to win the elections, and I have said: Listen, in 1985, without the banks and their millions, we won the election with millions of votes from the people and millions of consciences that were [words indistinct]. [applause, chanting] All the arguments your hear on television every day show their power. They showed their faces there. They showed who were the ones affected by the bank nationalization. They showed who the ones are who feel hurt by this revolutionary and democratic measure. They go around defending themselves and shouting. I say: Good, continue talking, shouting, and arguing; you will get tired because the people are not going to believe you and the people will follow another path. [applause, chanting]

That is the path and the great challenge of the Aprista revolution. There are other countries where the banks were also nationalized and the wealth was better distributed, but they did so without a free press, political parties, communications media, and free unions. That doesn't count. We want justice without sacrificing freedom, even the freedom of he who defends his interests. This can be achieved by raising the people's awareness. They have their millions and television campaigns. I have my plazas, my people, your awareness, and your love. [applause, chanting]

What amazes the wealthy and the bank owners the most is that all this is being done within the most absolute democracy. They want us to do this like the agrarian reform was carried out in Peru. You remember, the agrarian reform -- which was also an important step -- was established during the military government. However, there was no press, no newspapers, and no one dared to speak out against the military men. Now that there is press, freedom, democracy and a civilian government, they feel very brave to speak out, but I say: Speak out, the people already know which interests you defend. The people support the government because they know the government defends the people and the poor. [applause] Because we have the conscience of the people -- which is what frightens the powerful the most -- we can afford the luxury of carrying out this revolution in democracy.

I presented a bill to parliament to be approved. It has to be approved, and here are the parliamentarians who have to vote for that bill. [applause] Therefore, companero parliamentarians, my demand, as APRA president, is that there be no delay. [applause] The revolution cannot wait for rest on Saturday or Sunday. The revolution needs immediate work. [applause] I will place myself at the head of all the Peruvian people, at the head of the poor to demand that this law be approved. [applause] From here, using the same freedom used by the rich, I will place myself at the head of all the Peruvian people to demand the immediate approval of this law. [applause] Each day that passes is a day in which the powerful gain time, airing television propaganda, buying consciences, and frightening people who I thought were revolutionary. Each day that passes they manipulate and attack the weak spots to see how they can maintain their power.

I want to explain to you why we are doing all of this within democracy. First, because we believe in the people's will and we feel we are supported by our conscience. I come to explain this to you. I come to explain why we nationalized the banks: to decentralize and democratize credits so they will reach everyone, not only a small group of big companies. We want to do this within democracy because we were elected through democracy. There can be no justice without freedom, and there can be no socialism without freedom.

Those ideologists who say: We are going to give bread to the people but they should get down on their knees to obey the party -- are totalitarian. We say: Let us take the risk, we are going to carry out a revolution within the law, accepting the law, but we want a nationalization law that will be enforced. That is why we use full democracy, and this astonishes the world. They ask: How can the president present a law and afterward endure this television avalanche of criticism and insults? They do not worry me, they do not touch me; I am identified with the people and history. [applause] That is why I want to explain something to you. We have to be very intelligent. We have to be very wise, and this is my message to the youths. A revolution has to be carried out with prudence and intelligence. When one meets a very big obstacle, one must go around it. Only a fool crashes headlong into a wall or a mountain. One must learn what military men call tactics. The strategy is the great objective of nationalizing the banks and turning them over to the people. The tactics are the way we handle the situation to achieve the objective.

On 28 July I presented to the parliament a bill to nationalize the banks. However, I said that because of the importance of this law, the parliament would probably approve it in 10 days. During those 10 days, they [the bankers] should not do anything bad before leaving the banks.

We are taking over. In fact, we took over [the banks]. Comrades, I could have introduced the law and seized them. I could have trusted that the law would be approved and wait. And so, I said: Let us follow these two courses of action. Let the law be approved, and, meanwhile, let us take over. However, the legal branch protected the bankers and ruled in favor of them. It said: The government may not take over if a law has not been enacted. I said: All right. Let the government officials involved in the takeover leave the banks. This is a tactic. The ultimate objective of the strategy is to legally nationalize the banks. That is irreversible. Let the bankers stay there 3, 5, or 6 days. We are still going to win in parliament by nationalizing the banks.

Therefore, this is my explanation to the government officials. Many of them wondered: Mr President, why did we withdraw if we were inside the banks? I told them: If we have totally accepted democracy and the Constitution, we also have to accept court rulings. We do not believe in these rulings. We find them suspiciously biased. However, the law is the law. Until that judge is replaced, he will continue being a judge, and we will have to abide by his rulings. However, what we must not do is to fall in the legal trap that accuses the government of having taken over banks in an authoritarian and unlawful manner. In this way we may even be justifying a coup d'etat.

It is one thing to make a revolution and another to know how to handle tactics so we achieve the major objectives without sacrificing them. They were setting up a legal trap for us with the remark that the government has committed an unconstitutional action by taking over the banks without a law. This way, they wanted to convince Peru that the law was unconstitutional and unlawful, too. And we said: Let them keep the banks for 5 more days because we are still going to pass a law nationalizing the banks through the parliamentarians who were elected by the people. [applause]

I, here, here, [repeats himself] together with the Chimbote people, who have always welcomed me here, my town, I can speak forthrightly about politics and ideologies. Some people told me: Mr President, Mr Comrade, why don't we go out and stay by force! I told them: No, that would mean handing them a victory. We would be giving them the opportunity to say we are acting unlawfully or unconstitutionally and to knock on other doors, thereby bringing an end to democracy. We are going to get the banks. There is no turning back on this. But we are going to get there through the great objective and strategy of using our majority in parliament and the other parliamentarians who respond to the people to democratize the banks and turn them over to Peru.

I want to be very mindful of the experience of other countries that are now living under terrible dictatorships. Because I am mindful of that experience, I am being prudent without stopping short of my objective. I will not fall for the trap set by my adversaries regarding the question of the legality of this action. We are not going to fall into any trap so we can come out on top and be able to reach the great objective of justice, which begins with the nationalization of the banks. I watched the one socialist government in Latin America -- the government of Salvador Allende -- with a great deal of hope. However, and by way of political self-criticism, we watched it make a lot of mistakes and do unwise things. It led to what is happening now. I am saying that my status as the leader of this country forces me to be much more intelligent than I would be in my private life. In my private life I risk my life with my actions. In my political life, I can risk the life of my people with my actions. As I struggle for justice and the life of every one of you, I will never do that. [applause]

Therefore, from here, from this Peruvian workers' capital, from this revolutionary capital, I am telling you: Not one step backward in social justice. What I said has been said. My law is there in parliament. I demand parliament approve it as soon as possible. [applause] If the persons affected cause a very long delay in this process with their arguments and lies, I will lead you. I will be leading the people, demanding the immediate approval of that law through any means. [applause]

Fellow citizens, [crowd shouts] this is a revolution based on democracy. This is a revolution based on total liberty. I can leave you, the very young and the APRA youths, the pride of having made a revolution that is anti-imperialist; a revolution that is of the shantytown residents and the peasants; a revolution that seeks equality within absolute liberty -- that is, liberty for those who have other ideas and liberty for those who speak out; and a revolution with the capacity to raise the awareness of every Peruvian. I have faith in my words. I have faith I will be able to convince others. I have faith I am able to lead. Those without faith cannot convince anyone. Those without faith in what they are saying cannot persuade anyone. I have faith. I have faith in justice. I have faith in the people. That is why I can convince people and am prepared to move mountains until there is justice in Peru. [crowd shouts] [passage omitted]

GARCIA HOLDS MEETING WITH FSLN'S COMMANDER ARCE

PA242219 Lima Domestic Service in Spanish 1730 GMT 24 Aug 87

[Mercedes Jara's report from Government Palace in Lima; date not given -- live or recorded]

[Text] Bayardo Arce, commander of the Nicaraguan revolution, said President Alan Garcia expressed his solidarity with efforts to achieve peace in Central America. Arce also emphasized relations between Peru and Nicaragua, which he characterized as very fraternal.

Arce held a meeting with the chief of state, which was also attended by Nicaraguan Ambassador Mauricio Cuadra, here at Government Palace. The meeting lasted approximately 2 and 1/2 hours. Here are some statements made by Commander Arce:

[Arce] As you know, the Nicaraguan and Peruvian Governments maintain a very fraternal relationship. Peru is a member of the Contadora Support Group and has always remained in contact with the Nicaraguan Government in regard to the problem of peace in Central America. Recently, the Central American presidents signed a peace agreement that will require the involvement of all Latin America. This has occurred with the installation of the international verification commission in Caracas -- of which Peru is a member. We have come to discuss all of these matters with President Garcia.

[Reporter] [Words indistinct] that treaty?

[Arce] Peru has always stressed its commitment to regional peace and its solidarity with Nicaragua, which we hope will become closer through the work to be done by this commission (?in Peru).

[Reporter] [Question indistinct]

[Arce] We understand this meeting is still in the organizational process. It is the meeting of the Contadora and Support Groups. Logically, we think any step that brings closer the Latin American government leaders and peoples is positive because it makes Bolivar's ideas even more valid now that they are so necessary in Latin America.

[Reporter] What was the Nicaraguan Government's reaction to the [words indistinct]?

[Arce] Well, we have always respected the principles of self-determination and sovereignty. Of course, we have to be interested in the political situation in the countries we maintain relations with but we try not to express our views on them, only...

[Jara interrupts] This has been a report from the Government Palace.

TERRORIST ATTACKS DPRK DIPLOMATIC MISSION CAR

PA230356 Paris AFP in Spanish 0325 GMT 23 Aug 87

[Text] Lima, 22 Aug (AFP) -- Police revealed that a terrorist commando today machine-gunned an automobile belonging to the DPRK diplomatic mission, seriously injuring the driver.

The attack took place in the Lima suburb of Chacarilla del Estangue, near the North Korean diplomatic representative's residence.

The driver, a Peruvian, was taken to a Lima hospital and his condition is serious due to a bullet wound in the fact.

2 CAR BOMBS EXPLODE IN LIMA; INJURIES REPORTED

PA241844 Paris AFP in Spanish 1757 GMT 24 Aug 87

[Text] Lima, 24 Aug (AP) -- Two car bombs exploded successively in Lima less than 24 hours ago. One in front of a military garrison and another in front of the Citibank offices. The bombs caused two injuries and considerable damage, the police have confirmed.

A car bomb, with two bricks on top of the gas pedal and the steering wheel secured with a rope, was moved slowly yesterday toward the doors of the "Bolivar" Army Garrison, located in the capital district of Pueblo Libre.

The vehicle, a black Nissan pickup [preceding word in English], which had been stolen from Deputy Abdon Vilchez of the ruling APRA party, carrying 20 kg of dynamite, moved forward 200 meters, and when scarcely 50 meters from the door of the military installations, exploded, apparently as a result of shots fired by the guards.

The violent explosion, which shook a large part of the district, totally demolished the vehicle, which was scattered over a distance of 100 meters. The shock wave damaged a telephone booth, twisted public telephone lines, and damaged the windows of several vehicles and residences in the sector.

An attack of this sort, which had not occurred for almost 2 and 1/2 months in Lima, thankfully did not cause casualties, because the soldiers in the garrison fortunately threw themselves on the floor, the source added.

At 0530 today, another car bomb exploded in front of the Citibank offices, located in downtown Lima, seriously wounding passers-by Edmundo Espinoza and Julio Pinedo, who were taken to the 2 de Mayo Hospital, the police reported. According to police experts, the small vehicle contained 20 kg of dynamite.

Aside from the injured, the explosion caused considerable damage to the bank and several commercial establishments. The shock wave damaged windows of other buildings in the vicinity.

GOVERNMENT ASSISTANCE TO NICARAGUA DISCUSSED

PY211817 Madrid EFE in Spanish 1702 GMT 21 Aug 87

[Text] Montevideo, 21 Aug (EFE) -- Opposition Senator Alberto Lacalle today in Montevideo told EFE that Brazilian President Jose Sarney's assertion that Uruguay has economically helped Nicaragua has caused "surprise and bewilderment" in Uruguayan circles.

On 19 August, during an official visit to Mexico, Sarney stressed that Argentina, Brazil, Mexico, and Uruguay, made economic contributions to Nicaragua at the beginning of the Sandinist regime. The Uruguayan media, through international press agencies, extensively disseminated this information.

In Congress on 21 August Lacalle asked the Foreign Ministry for a report to clarify the situation. The National, or Blanco Party, the main opposition party, congressman wanted to know whether what Sarney said "is true," and if so "when was the contribution made, where did the money come from, and who authorized the operation."

Lacalle told EFE that what is causing the "surprise and bewilderment" is not the fact that Uruguay economically helped "the Sandinist government or any other government," but the fact that "Congress and the population have to learn about it from the remarks made by a foreign head of state which were then picked up by the media."

In view of "the seriousness of the matter, we are expecting a quick answer," the congressman added, because if we do not get a quick answer "we will insist until we obtain a clarification."

DEFENSE MINISTRY REPORTS PERSONNEL REDUCTIONS

PY211554 Madrid EFE in Spanish 0640 GMT 21 Aug 87

[Text] Montevideo, 20 Aug (EFE) -- According to a report delivered today to Congress by the Defense Ministry, 5,138 people have been separated from the Uruguayan Armed Forces since March 1985, when the country was democratized. A total of 3,747 people have been separated from the Army, 839 from the Navy, and 552 from the Air Force.

Defense Minister Juan Vicente Chiarino and Defense Under Secretary Jose Maria Robaina Anso told the Senate Budget Committee that the reduction program has progressed faster than scheduled, and budget targets will be reached before 31 December 1987.

There were 21,557 people in the Army when the country was democratized after 12 years of authoritarian rule (1973-85). According to official figures, there were 17,810 people in the Army by 1 July, 1987.

The Defense Ministry report also states that the number of auxiliary personnel in the Uruguayan Navy has been reduced from 4,781 people to 3,942 and in the Air Force from 3,521 to 2,929.

Senate sources said the legal goal has been achieved. This goal established that by 31 December 1987 Army personnel had to be reduced by 20 percent, Navy personnel by 16 percent, and Air Force personnel by 14 percent.